

Ukraine's Hesitations Cast a Pall Over START, Experts Say

By Celestine Bohlen
New York Times Service

MOSCOW — As Presidents George Bush and Boris N. Yeltsin prepare to sign a treaty cutting deep into their nuclear arsenals, Ukraine has been tugging at their sleeves with an awkward and unwelcome question: How much will it cost to get rid of weapons of mass destruction, and who is going to foot the bill?

The United States has pledged \$800 million to help the states of the former Soviet Union cope with the enormous task of dismantling a vast arsenal of chemical, nuclear and biological weapons. But diplomats here say the cost is likely to be considerably greater.

In Moscow this week a Ukrainian diplomat said that the cost to Ukraine alone would be more than \$1.5 billion, a sum he called on the international community to pay.

Some experts say that Ukraine's hesitations about renouncing its nuclear status are casting a pall over the START-2 treaty for strategic arms reductions even before it is signed in Moscow this weekend.

Concerns about costs, but also about Ukrainian security, are the main reasons the Ukrainian parliament has balked at ratification of arms-reduction agreements reached earlier this year in Lisbon.

There, all four of the Soviet Union's successor states with nuclear weapons — Russia, Ukraine, Kazakhstan and Belarus — agreed to abide by START-1, which made the first step toward cutting nuclear stockpiles.

But only Russia and the United States have ratified the treaty. The parliaments of the other three republics have held off not only formal approval of START-1, but ratification of the Nuclear Nonproliferation Treaty.

Russia has made it clear that until its neighbors agree to these accords it will not begin the slow and costly process of eliminating its nuclear arsenal.

Of the three nuclear neighbors, Ukraine has protested the loudest, calling the attention of both Russia and the West to what it considers the inequities of the financial burden of disarmament.

At a news conference in Moscow this

week, the Ukrainian ambassador to Russia, Vladimir Kryshchanovskiy, said the "very complicated, very difficult economic situation in the Ukraine" was one obstacle to the parliament's ratification of START-1 and the nonproliferation treaty.

Most observers see the Ukrainian inaction as a bargaining tactic, designed to wrest greater pledges from both the West and Russia for assistance in helping convert to a nonnuclear status.

But there is also a parliamentary minority that wants to take another look at Ukraine's commitment to renounce nuclear weapons, as a way both of keeping the West's attention and of protecting itself against Russia.

The longer Ukraine withholds final approval of START-1 and the treaty to halt the spread of nuclear weapons, the longer the shadow it will cast over the agreements to be signed in Moscow this weekend.

"If the Ukrainians don't ratify, then it is a show-stopper for both agreements," a Western diplomat said, referring to START-1 and START-2.

As it is, Mr. Yeltsin is likely to face a tough debate over the ratification of START-2 in the Russian parliament, where some see it as favoring the United States.

With 176 intercontinental missiles and 16 long-range Tupolev bombers based in Ukraine, the republic's participation is crucial to the dismantling of the old Soviet nuclear system.

Under START-1, most of these weapons would be transferred to Russia over the next seven years. The rest would be removed under the nonproliferation pact.

In Kiev this week, Dmytro Pavlychko, head of the parliament's foreign affairs commission, said he was certain the parliament would ratify START-1, but not before February.

He said the parliament had three main concerns: a commitment by nuclear powers to defend Ukraine against aggression, guarantees against environmental damage and the ability to trade directly with buyers of the nuclear material taken from missiles.

As it watches Russia sell the plutonium used in nuclear weapons to the United

States for cash, Ukraine is seeking compensation for the nuclear material inside the missiles on its territory, either by selling it to Russia, or to the United States directly, or trading it for fuel for nuclear power stations.

Given the unknowns surrounding the technology required to dismantle weapons of mass destruction, no hard estimate can be made on how much it will cost either Russia or the United States to neutralize the 18,000 nuclear warheads due to be eliminated under START-1 and START-2.

But the sum is expected to be considerable, and the burden is likely to be carried mainly by the United States, diplomats said.

"I think we will be stunned," one Western diplomat said, "by the costs of taking apart the arsenals built up on both sides."

The first installment of the U.S. aid, \$165 million, has been earmarked for projects that include \$25 million for a center to monitor the dismantling, \$25 million for the disposal of chemical weapons, \$50 million for special containers to transport radioactive material and \$20 million for special railroad cars.

WORLD BRIEFS

Danes Stress Openness as EC Leaders

COPENHAGEN (Reuters) — Denmark assumed the rotating leadership of the European Community on Friday, outlining its goals for the six-month presidency under the title "The Open Europe."

Foreign Minister Uffe Ellemann-Jensen said Danish priorities included pursuing negotiations with Sweden, Finland, Austria and Norway over their applications for membership; forging closer links with former Communist nations in Eastern Europe and reaching a cooperation agreement with Russia; concluding a world trade agreement, and putting the principle of EC openness into practice.

He said he would also seek to persuade Danes to vote "yes" in a second referendum on the Treaty on European Union, due in April or May. "The choice stands between accepting this deal and leaving the EC," Mr. Ellemann-Jensen said. "There is no third alternative. Nothing must therefore go wrong. Too much is at stake."

U.S. Panel Faults Gallo Over AIDS

WASHINGTON (NYT) — After three years of investigation, the federal Office of Research Integrity has concluded that Dr. Robert Gallo, the American credited as co-discoverer of the cause of AIDS, had committed scientific misconduct.

The federal report said that Dr. Gallo intentionally misled scientific colleagues by saying he had grown an AIDS virus in his laboratory for study and that he had not grown or studied a similar French strain of the virus. Dr. Gallo's false statement, the report added, may have diverted AIDS researchers from potentially fruitful work with the French.

Dr. Gallo called the federal conclusions "utterly unwarranted." Michael Epstein, a lawyer for the Institut Pasteur, where the French work was done, said that the French would now ask the United States to renegotiate their agreement to give a larger share of profits from the AIDS blood test to France.

KAL 007: Lack of Adequate Radar?

WASHINGTON (Reuters) — The former Soviet Air Force captain Alexander Zuyev, who defected to the United States in May 1989, said on CBS television Sunday that Arctic gales had knocked out major warning radars 10 days before Korean Air Lines Flight 007 was shot down on Sept. 1, 1983.

With full radar coverage, Captain Zuyev said, Soviet pilots could have intercepted the flight over the Kamchatka Peninsula, identified it as a civilian airliner and forced it to land. But because of the outage, he said, they did not catch up to the aircraft until hours later, over Sakhalin Island.

His account tends to support that of those who have argued that the disaster, in which all 269 people on board were killed, was a tragic mix-up and not a deliberate attack on what was known to be a civilian airliner.

Thai Troops Enforce Cambodian Ban

PHNOM PENH (Reuters) — Thai troops manned checkpoints on the border with Khmer Rouge-held Cambodia on Friday to shut down trade in line with UN sanctions imposed on the guerrillas after they reneged on an accord to end the country's civil war.

The sanctions went into effect a day after the Khmer Rouge launched its most serious attack on UN peacekeepers since the peacekeepers were deployed in Cambodia. Forty-five UN troops and civilian staff were evacuated by helicopter Thursday after Khmer Rouge mortar barrages kept them pinned in their bunkers in northwestern Siem Reap Province for most of the day.

No trucks of logs were driven out of the Khmer Rouge's southwestern enclave Friday, Amorn Amatanchai, governor of Thailand's Trat Province, said in Bangkok by phone. "All activity has stopped," he said after visiting the border.

TRAVEL UPDATE

France Approves New TGV Rail Line

PARIS (Reuters) — After years of delays caused by financing problems, France has given the go-ahead for a high-speed TGV rail link from Paris to Strasbourg on the German border. Prime Minister Pierre Bérégovoy's office said the cost of the project would be cut to less than 20 billion francs (\$3.8 billion). The construction schedule is to be released next month.

The new railroad, completing a network of high-speed trains running south, west and north from Paris, should put Strasbourg less than two hours from Paris by the end of the century and eventually extend toward northern and eastern Europe.

The state rail company, SNCF, had balked at the project, earlier estimated at 35 billion francs, because of doubts about its profitability.

Northern California mountains were being blanketed with snow Friday, the second major storm in a week to strand travelers and bring hope of drought relief to the area. Snow also covered Oregon and parts of Washington. Up to 5 feet (1.5 meters) of snow was expected in the Sierra Nevada by Saturday afternoon. Snow and cold halted most Amtrak rail service between Seattle and Minneapolis. (NYT)

Snow Sends START-2 Ceremony To Moscow

The Associated Press
MOSCOW — The weekend meeting to sign the START-2 nuclear arms treaty has been moved from the Black Sea to Moscow because of snow.

After a storm grounded planes in Sochi, President Boris N. Yeltsin of Russia called President George Bush to ask that the location be changed from the Black Sea resort of Sochi, the White House spokesman, Marlin Fitzwater, said in Somalia on Thursday.

But Moscow itself was in the grip of a cold wave and Mr. Yeltsin was reported to be suffering from a cold. Mr. Yeltsin, 61, said Wednesday he had been treated at a hospital for a slight cold. The Russian president appeared fit, however, when he spoke to reporters.

Another factor in the switch could be a shortage of aviation fuel, a problem that routinely disrupts Aeroflot flights.

Mr. Bush and Mr. Yeltsin plan to hold their first meeting Saturday and sign the treaty the following day.

The accord, the most far-reaching in the history of disarmament, would cut by about two-thirds the nuclear arsenals of Russia and the United States by the year 2003.

American and Russian experts reached agreement on the treaty earlier this week in Geneva.

Russia and the United States have about 20,000 strategic warheads combined. Under provisions of START-1 and START-2, their arsenals would shrink to a limit of 3,000 to 3,500 warheads apiece.

It will be the second Moscow meeting for Mr. Bush, who visited the capital in the summer of 1991, weeks before hard-liners in the Communist Party tried to depose Mikhail S. Gorbachev as president of the Soviet Union.



Slovak youths in Bratislava carrying the new national flag Friday while celebrating the birth of the Slovak Republic.

VELVET: On an Icy Night, Some Toast the Divorce While Others Lament

(Continued from page 1)

burning Slovak nationalism from what has been little more than a low-grade fever for decades, unhappiness with independence is widespread.

About 3,000 Slovaks a day are applying for Czech citizenship, according to the Czech foreign minister, Jozef Zelenka.

Voytech Celko, director of the House of Slovak Culture in Prague, said "Everyone knows Slovakia will have its worst."

[Mr. Meciar used an inaugural address on Slovak television Friday to cast himself as a father of the nation, eager to soothe ethnic frictions. Agence France-Presse reported from Bratislava.

"Let me address you all, Slovaks as well as Hungarian, Czech, Pol-

Czechland? Yes, Maybe, Or Perhaps It's Czechia

Washington Post Service
PRAGUE — When Czechs woke up to the New Year, they may have recalled that they live in a new country, but they remain in the dark about what to call it.

Officially, the Czech side of the amicable divorce that ended Czechoslovakia's 74-year history is to be known as the Czech Republic. But even the country's leaders concede they need a less formal name for use by both themselves and foreigners.

So politicians, journalists and other Czechs are testing several possibilities on their tongues. Some diplomats here are using "Czecho," the remains of the country's old name after Slovakia took its moniker home to Bratislava.

Many Czechs favor returning to the historic name of Bohemia, but that would outrage residents of the new country's other region, Moravia. And any suggestion that the names of those two regions be combined is immediately jettisoned because the Nazi occupation's creation, the Protectorate of Bohemia and Moravia, is too fresh a memory, said Pavel Vevera, spokesman for the president's office in Prague.

Not to fret, said the Czech foreign minister, Jozef Zelenka. A solution is in sight.

"Our traditional name is Czechland," he said, "and in the future we will use this name."

Reporters dutifully wrote down the new name, and the issue seemed settled.

Until Mr. Zelenka cleared his throat and resumed speaking. "Of course," he said, "it could also be Czechia."

2 Killed in Fire at German Asylum Home

Compiled by Our Staff From Dispatches
BONN — Two people were killed and a third was seriously injured in a fire at a home for asylum-seekers near Stuttgart, the police said Friday.

The police said they could not immediately determine what had caused the fire in Bietigheim-Bissingen, in the southwest German state of Baden-Württemberg. The identities of those killed were not known.

One investigator said the police had ruled out riotous attack as the cause. The fire broke out in an area of the building not readily accessible to outsiders, said the Stuttgart investigator.

In the western city of Essen, about 300,000 people took part in a torchlight procession Friday to protest racism, the police in the city said. They formed symbolic protective circles around buildings used by foreigners and the handicapped. Both groups have been frequent targets of extreme rightist violence.

Local politicians, church and union leaders took part in the demonstration, the latest in a series of rallies across Germany intended to show that most Germans abhor racism.

Neo-Nazi gangs have staged repeated attacks on foreigners' homes in Germany throughout the last 18 months. Three Turks were killed in late November when night extremists set fire to their home in Mölln in northern Germany.

The police have recorded about 2,200 neo-Nazi and other rightist attacks on refugees, foreign residents and Jewish monuments in Germany over the last year. Seventeen people have been killed and more than 500 injured in the attacks. (Reuters, AFP)

French Synagogue Attack
Firebombs were thrown into a synagogue in a northern Parisian suburb overnight, The Associated Press reported. It was the third anti-Semitic attack in France this week.

The police said Friday that attackers smashed a window and threw the flaming gasoline-filled bottles inside the building shortly before midnight, setting off a nearby fire. Fire fighters alerted by a resident quickly put out the blaze.

The synagogue in Villepinte had received threatening calls recently, a police source said.

The city of Strasbourg announced that it was stepping up patrols around Jewish sites after two more attacks this past week in nearby suburbs.

In the attacks, vandals overturned and broke tombstones at a Jewish cemetery Tuesday night. A day earlier, graffiti was painted on the walls of a Jewish cemetery. The messages protested Israel's expulsion two weeks ago of more than 400 suspected Palestinian militants.

Swastikas were painted on a Jewish community center in Strasbourg in early December. In August, 193 Jewish tombstones in Herrlichheim, also in eastern France, were tipped over.

A court in the southern city of Lyon sentenced a minor to 10 months imprisonment on Tuesday for helping vandalize a Jewish cemetery in September. The youth confessed having pro-Nazi sympathies.

European News Station Has a Smooth Launch

Compiled by Our Staff From Dispatches
LYON — A European news channel, Euronews, went on the air Friday, a voice for European unity and an alternative to CNN.

"Europeans will at last get authentically European coverage of local and world events in their own languages," said the Euronews chairman, Massimo Ficcheri, a former director of Italian television RAI.

The first image broadcast by the station showed London's Big Ben striking midnight and signaling the start of the single market aimed at lifting border controls on people, goods and services throughout the European Community.

But there are some large gaps. The British and the Germans have refused to participate. Scandinavian countries also are absent.

Euronews will be broadcast in English, French, German, Italian and Spanish; officials hope eventually to reach 40 million homes.

The 39 channels belonging to the European Broadcasting Union will contribute news reports for 20 hours, from 6 A.M. to 2 A.M. (0500 to 0100 GMT). These will be interspersed with 30 news bulletins.

But the channel will be difficult for some viewers to receive. It is unavailable on free French television; it was being carried on French cable television, but only to subscribers already paying for supplemental channels.

The launching went off as planned, with a rapid montage of Euronews reporters at work, the channel's facilities and scenes of past news events.

But after a rapid review of New Year's celebrations around the world and a European weather forecast, the broadcast included of dry presentations on European unity and officials lauding the concept of Euronews.

Media analysts are split over whether Euronews will pose a serious threat to CNN, the U.S. all-news network.

Regular programs are to include business and lifestyle reports, youth and sports magazines and in-depth current affairs coverage.

In addition to the taped reports, programming will be interrupted by live coverage of news events, such as the U.S. presidential inauguration on Jan. 20.

Euronews' 30 million French franc (\$5.4 million) capital was provided by state television companies in France, Monaco, Belgium, Italy, Spain, Portugal, Greece, Cyprus and Egypt. (Reuters, AFP, AP)

RELIGIOUS SERVICES

- AMSTERDAM**
CROSSROADS INTERNATIONAL CHURCH
Internationalist & Evangelical Sunday
Worship 10:30 a.m. / Kids Welcome. De
Westerstraat 2, Amsterdam Info:
02940-15316 or 02503-41399.
- BARCELONA**
INTERNATIONAL BAPTIST CHURCH meets
of Tr. de la Cort. 340-344, 2. Sunday
Worship 11:00. Dr. Jack Robinson, pastor,
phone 410 16 61.
- BERLIN**
INTERNATIONAL BAPTIST CHURCH (English
language) meets at Evangelisch-Friedrich-
lich Kreuzgemeinde, Hohenzollernstrasse
Hermann-Böse-Str. (around the corner from the
Bahnhof) Sunday worship 12:00 Ernst D.
Walker, pastor. Tel. 04791-12877.
- BUCHAREST**
INTERNATIONAL BAPTIST CHURCH,
Sofia, Pastei Bani 22, 300 p.m. Contact Bill
Richardson, Tel. 010-91-61.
- COTE D'AZUR**
CORNERSTONE CHRISTIAN FELLOWSHIP
Worship at 10:30 a.m. Sunday. Nursery,
Sunday school, tel. 93.65.64.54.
- FRANKFURT**
CHRIST THE KING, (Episcopal/Anglican),
Sebastianstr. 22, U1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100.
- MADRID**
COMMUNITY CHURCH, Worship and
Church-School at 11:00 a.m., Padre Damien
34, (August, Orange and Gen. Yague),
International, English Speaking, Tel.: 320-
0176.
- MUNICH**
INTERNATIONAL COMMUNITY CHURCH,
Evangelical, Bible Believing, services in Eng-
lish 4:15 p.m. Sunday at Eiblerer Str. 10
(U2 Theresienstr.) (089) 93 45 74.
- MONTE CARLO**
INT'L FELLOWSHIP, 9 rue Louis-Notari, Sun-
day Worship 11:00 & 6 p.m. Tel.:
92.16.56.00.
- PARIS AND SUBURBS**
THE AMERICAN CATHEDRAL (Episcopal-
Anglican), Sun. 9:30 a.m., Hotel Orion, Metro
1 - Esplanade de La Defense, Tel.: 47.73.53.54 or 47.75.14.27.
- SAINTE JOSEPH'S CHURCH (Roman Catholic),**
Masses Saturday Evening 6:30 p.m.,
Sunday, 9:45, 11:00, 12:15 and 6:30 p.m.,
50, avenue Hoche, Paris 8th, Tel.: 42.27.56.56. Metro: Charles de
Gaulle - Ecole.
- TOKYO**
ST. PAUL INTERNATIONAL LUTHERAN
CHURCH, near Ichibashi Sta., Tel.: 3261-
3740. Worship Services: 9:30 a.m., Sundays.
- EUROPEAN BAPTIST CONVENTION**
BERLIN
INTERNATIONAL BAPTIST CHURCH, BER-
LIN, Rotherstrasse 13, 1000 Berlin 41
(Siegfried), Bible study 10:45, worship
12:00 and 19:00 each Sunday, Charles A.
Wardlaw, Pastor, Tel.: 030-774-4670.
- BONN/KÖLN**
THE INTERNATIONAL BAPTIST CHURCH OF
BONN/KÖLN, Rheinstrasse 9, Köln,
Worship 1:00 p.m., Colvin Hooge, Pastor,
Tel.: (02236) 47051.
- BRUSSELS**
INTERNATIONAL BAPTIST CHURCH of Brus-
sels welcomes you to join our English-speak-
ing, Christ-centered fellowship with an active
youth ministry located near the international
airport. Sunday School and Bible Study 9:45
a.m. Worship Service 11:00 a.m. and 6:00
p.m. Longe Elzstraat 78, 1970 Wazembeau-
Oppem, 02/731.12.24 Pastor Ulrich Döcker.
- HAMBURG**
INTERNATIONAL BAPTIST CHURCH OF
HAMBURG meets at TABER FESTAHL,
Am Hof 19, Hamburg-Ohlsch. Bible Study
at 11:30 & Worship at 12:30 each Sunday,
Tel. 040/820616.
- HOLLAND**
TRINITY BAPTIST S.S. 9:30, Worship 10:30,
nursery, women fellowship, Meets at
Bloemkampen 54 in Wassenaar, Tel.:
01751-78024.
- KRAKOW**
INTERNATIONAL BAPTIST FELLOWSHIP,
ul. Wypsalniska 4, First Sunday each
month, 6:00 p.m., Guest Pastor, coordina-
tor, Tel. 33 23 03 + 66 49 32.
- MADRID**
INMANUEL BAPTIST, Hernandez de
Tejada, 4, English Services 11 a.m. -
7 p.m. Tel. 407-4247 or 302-3017.
- MUNICH**
INTERNATIONAL BAPTIST CHURCH OF
MUNICH, Holzstr. 9 English Language Ser-
vices, Bible study 10:00, Worship Service
17:00. Pastor's phone 690 8534.
- PARIS AND SUBURBS**
EMMANUEL BAPTIST CHURCH, 56 Rue des
Beauregards, French-Mediterranean, An evan-
gelical church for the English speaking
community located in the western suburbs,
S.S. 9:45, Worship 10:45, Children's
Church and Nursery, Youth ministries Dr.
B.C. Thomas, pastor, Call 47.51.29.43 or
47.49.15.29 for information.
- INTERNATIONAL BAPTIST FELLOWSHIP**
430 p.m., 123 av. du Maine, M^o Grébe,
Near the Tour Montparnasse, The evening
service of Emmanuel Baptist Church, Call
47.51.29.43 or 47.49.15.29.
- PRAGUE**
International Baptist Fellowship meets at the
Czech Baptist Church Vinohradská 68,
Prague 2, At metro stop Jirskoe Podlaží at
Sunday a.m. 11:00 Pastor Bob Ford (02)
311 0693.
- WUPPERTAL**
International Baptist Church, English, Ger-
man, Persian, Worship 10:30 a.m., Ser-
mons 21, Wuppertal - Eberfeld, All denom-
inations welcome, Hans-Dieter Freund,
pastor, Tel. 0202/469584.
- ZÜRICH**
INTERNATIONAL BAPTIST CHURCH of Wö-
denswil, Swiss-German, Rosenbergs-
strasse 4, Worship Services Sunday morn-
ing 11:00, Tel. 1-700 2812.
- EUROPEAN UNITARIAN UNIVERSALISTS**
UNITARIAN UNIVERSALIST fellowship &
contacts in Europe include:
BARCELONA: Aplertoado de Corcos
27305, 08080 Barcelona, Spain, Tel.:
(03) 31 91 54.
BRUSSELS: Tel.: (02) 660 02 26.
FRANKFURT/WIESBADEN: (0611) 71 94 01.
GENEVA/BERN: (022) 774 15 96.
HEIDELBERG: (49) 6222-7 3716 or (49)
6205-10486.
MUNICH: (49) 821-47-2486.
NETHERLANDS: (073) 40 82 08.
PARIS: (33) 1-42-77-9677.
- ASSOC. OF INT'L CHURCHES
IN EUROPE & MIDEAST**
BERLIN
AMERICAN CHURCH IN BERLIN, cor. of
Clay Alley & Potsdamer Str., S.S. 9:30 a.m.,
Worship 11 a.m. Tel. 030-8132021.
- BRUSSELS**
THE INTERNATIONAL PROTESTANT
CHURCH OF BRUSSELS, Sunday School
9:45 a.m. and Church — 10:45 a.m. Ken-
kenberg, 19 (at the Int. School), Tel.
02/305.81.30 or 95.78.94.
- COPENHAGEN**
INTERNATIONAL CHURCH of Copenhagen,
Fartvejsvej, Nyhavn, near Klædes, Study
10:15 & Worship 11:30, Jack Husted, Pastor,
Tel. 31 02 47 85.
- FRANKFURT**
TRINITY LUTHERAN CHURCH, Nibelungen
Allee 54 (Höhenstr.), Sunday School 9:30,
worship 11 a.m. Tel.: (069) 599478.
- GENEVA**
EV. LUTHERAN CHURCH of Geneva, 20 rue
Verdaine, Sunday worship 9:30 in German
11:00 a.m. English, Tel. (022) 310.50.89.
- LONDON**
AMERICAN CHURCH in London at 79
Tottenham Court Road, London W1, SS of
9:45 a.m. & worship at 11 a.m., Goodge
street lobby, Tel. (01) 580 2791.
- INTERNATIONAL COMMUNITY CHURCH**
services at Rydens School, Harlow, Surrey,
Sunday School at 10:00 a.m. and Worship at
11:00 a.m. Active Youth Program,
Tel. (0932) 568283.
- MOSCOW**
MOSCOW PROTESTANT CHAPLAINCY,
UPK Hall, Ulofa Pome 5, Bldg. 2,
Worship 9 a.m. - 11 a.m. S.S. Tel.: 143-3532.
- OSLO**
American Lutheran Church, Fritzenveg. 15
Worship & Sunday School 11 a.m. Tel.
(02) 44.35.84.
- PARIS**
AMERICAN CHURCH IN PARIS, Worship
11:00 a.m. 05, Quai d'Orsay, Paris 7, Bus 03
at door, Metro Alma-Marceau or Invalides.
- PRAGUE**
INTERNATIONAL CHURCH OF PRAGUE:
English worship 11:15, Czech 4, Prague 5,
Sunday School, Czech, weekly bible study.
- STOCKHOLM**
INMANUEL CHURCH, Worship Christ in
Swedish, English, or Korean, 11:00 a.m.,
Sunday, Birger Jarling, at Kungälvströg,
17, 40/08/15 12 25 x 777 for more infor-
mation.
- VIENNA**
VIENNA COMMUNITY CHURCH, Sunday
worship in English 11:30 A.M., Sunday
school, nursery, international, all denomina-
tions welcome, Dorfstrasse 16, Vienna 1,
Tel.: (01) 43-29-70.
- WARSAW**
WARSAW INTERNATIONAL CHURCH, Pro-
testant English language services, Sundays
11:00 a.m. (Sept-May), 10 a.m. (June-Aug),
Sunday School 10:00 (Sept-May) Ul.
Miodowa 21, Tel.: 43-29-70.
- ZÜRICH**
INTERNATIONAL PROTESTANT CHURCH
English speaking, worship service, Sunday
School & Nursery, 11:30 a.m.,
Schönengasse 25, Tel. (01) 2625325.

TRANSITION / NEW INCUMBENT ON THE MOVE

A Flying Stop to the Bush Era President, Active as Ever, Seeks to Make Mark

By Michael Wines
New York Times Service

WASHINGTON — After nearly four years of state dinners, brush-fire wars, telephone diplomacy and global jet excursions, George Bush's presidency is now rapidly winding down. The same cannot be said of Bill Clinton.

Just 18 days remain until President-elect Bill Clinton takes the inaugural oath and his Oval Office desk, a period at which most lame-duck presidents have stopped governing and begun untying their fishing reels.

Mr. Bush has been overseas, meeting with Arabian royalty and spending the holiday with American troops, in the style of his 1990 Thanksgiving visit to Saudi Arabia before the Gulf War.

On Saturday he was to fly to Moscow for a summit meeting with Boris N. Yeltsin, much as he did 18 months ago with President Mikhail S. Gorbachev.

He is handing out medals and promotions with some abandon. He is working the phones to rally global support for new action against Serbia. Aides say he is mulling an Eisenhower-style farewell speech, perhaps for a television broadcast, and even considered — briefly — a State of the Union speech next month, just as if he were starting a second term.

Mr. Clinton has seen to that. But Mr. Bush, despite his election defeat, is still extremely active, with no clear indication of stopping anytime soon.

One associate said: "The chance of accomplishing some substantive things before he goes out has energized him. He sees the possibility of leaving his successor a much better situation than he found when he came in in 1989."

The president's burst of activity can also be viewed more skeptically, as a final attempt by a proud and self-conscious leader to restore a gloss to his presidency that economic hard times and his humbling election defeat have diminished.

At the urging of friends and advisers, he tried his hand at history writing two weeks ago, delivering a foreign-policy speech in Texas that effectively defended his strategy of projecting American political power — and military force — into the world's trouble spots.

Even some friends conclude that his overseas trip this weekend, however justified by events, was intended to remind the public of his presidency's greatest triumphs on the battlefield and at Cold War negotiating tables.

"It's a victory lap," one said. "You go to the places that are winners. You don't see him going to Bosnia, do you?"

Whatever his motives, Mr. Bush's activity stands in sharp contrast to the rest of the White House, which that same associate described as "on auto-pilot, with most of the staff looking for jobs."

With no more budgets to prepare and no legislation to package, the administration is reduced largely to handling foreign policy and its own public relations.

Mr. Bush himself seemed on autopilot barely a month ago. Shrouded in gloom after his defeat, he took secluded vacations, complained publicly about his irre-

vance and seemed to grant Mr. Clinton early possession of the trappings of presidential pomp and importance.

Time and some frank discussions in mid-November with advisers, who warned that he was endangering his public image and possibly his legacy, seem to have given Mr. Bush some perspective on his loss.

Several aides also said he was roused by the need to deal with crises in Somalia and Bosnia, and the prospect that his administration's signal accomplishment — a treaty to reduce Russian and U.S. nuclear stockpiles by two-thirds — might collapse amid bickering over details.

With a lot to do and little time in which to do it, Mr. Bush became his old frenetic self, aides say, and he began serious work to make the last days of his term both more productive and more upbeat.

Behind headline-making acts like foreign trips and military mobilizations, Mr. Bush has taken on the role of White House and Republican Party morale officer.

Early in December he set aside an hour or so daily to invite employees and their families to the Oval Office, where he chatted while White House photographers snapped photos that Mr. Bush would later autograph and present as gifts. Next month he is to host a series of White House meetings with major groups of Republican financial supporters.

And he has rewarded some aides with appointments that carry more symbolism than power, but are coveted nonetheless. At the suggestion of friends, he elevated Lawrence S. Eagleburger to secretary of state, removing the "acting" from his title by making a formal appointment while Congress was in recess, and assuring Mr. Eagleburger a more prominent place in history books. He did the same for Sean O'Keefe, an acting navy secretary.

Two comedians who are Bush favorites, Dana Carvey and Johnny Carson, were rewarded this month with invitations to become overnight guests at the White House.

To close out his term, aides say, the president is planning at least one more major speech reflecting on his years in public life, probably for delivery at the U.S. Naval Academy in Annapolis, Maryland.



President George Bush getting out of the sun briefly on Friday in Bell Dogle, Somalia.

Bush Bids Farewell To the U.S. Military On Visit to Somalia

Compiled by Our Staff From Dispatches

MOGADISHU, Somalia — President George Bush made a New Year's Day visit Friday to a Somali orphanage where laughter has replaced the silence of death, and he bade an emotional farewell to U.S. troops as he prepares to leave the White House.

"One of the great joys of being president has been working with the U.S. military," he said.

"This one is a new one," he added.

Mr. Bush told the 1,500 U.S. and foreign troops assembled in the heat at Mogadishu airport that they had done "a superb job."

The brief address, Mr. Bush's last set-piece appearance on his two-day visit to the forces he sent to Somalia, was a swan-song as commander in chief of the U.S. military before Bill Clinton takes over on Jan. 20.

Earlier, Mr. Bush told a group of Marines that Mr. Clinton was a friend and a strong-willed leader who would ensure the success of

Operation Restore Hope and bring U.S. soldiers home quickly.

"I see no way Governor Clinton would precipitately end this mission," Mr. Bush said. "But he shares my view that the U.S. can't do all the heavy lifting."

"He was a friend of mine, he is a friend of mine, and I can tell you he takes enormous pride in what you all are doing," Mr. Bush told the Marines.

Mr. Bush was spending a second night on the assault ship Tripoli off the Somali capital before flying early Saturday to Moscow to sign a treaty with President Boris N. Yeltsin of Russia to reduce nuclear arsenals.

American and French troops thrust into Baidoa, at the epicenter of Somalia's famine, on Dec. 16, a week after the first U.S. Marines poured ashore in Mogadishu to launch the U.S.-led multinational military relief effort.

Waving Somalia in rags lined the streets from the Baidoa airfield chanting "President Bush, President Bush" as Mr. Bush passed in a light armored vehicle on his way to an orphanage.

Children, brought back to life from the brink of starvation, gave Mr. Bush a garland and welcomed him with songs for his 30-minute tour of the concrete compound.

The death rate at the orphanage has fallen over the past few weeks to about one child a week from more than 10 a day in September.

But Mr. Bush saw the scourge of a famine that has killed 300,000 Somalis when he visited an intensive-care room off the main yard where about a dozen children, some with shriveled legs and listless eyes, sat on the floor being helped to eat.

"It's very emotional," said Mr. Bush. "I don't know how to respond."

Aid workers in Baidoa, 250 kilometers west of Mogadishu on a flat and unwelcoming scrub plain, said the presence of U.S. troops had driven gunmen and their battle-wagons from the streets of a town ruled before by fear.

"I was skeptical about what the troops could do but it has worked," said a Canadian, James Orbinski, a doctor with the charity organization Doctors Without Borders, just before he met Mr. Bush. "I am going to tell him, 'Thank you.'"

Powell Wary of Clinton's Streamlining

By Michael R. Gordon
New York Times Service

WASHINGTON — In his most comprehensive assessment of the future of the armed forces, the chairman of the joint chiefs of staff has rebuffed the kind of sweeping change that President-elect Bill Clinton has called for in the roles and missions of the services.

In a report setting forth his vision of the military after the Cold War, General Colin L. Powell recommended several innovations, including the creation of a new command to conduct joint training of forces from the different services for intervention in regional crises. The new command could also support UN peacekeeping operations and oversee disaster relief operations.

But the report, a draft of which was circulating among top Pentagon leaders for comment, was more noteworthy for its objection to the view that Washington should eliminate duplication by realigning the missions of the three military services. This view has been expressed by Mr. Clinton and promoted vigorously by Sam Nunn, Democrat of Georgia and chairman of the Senate Armed Services Committee.

General Powell's term expires Sept. 30 and his role after that is unclear. But his standing as the nation's top military officer and the fact that his report speaks for many, though by no means all, senior military officials underscores the institutional obstacles confronting Mr. Clinton as he seeks to cut military spending while maintaining the nation's ability to intervene around the world.

Colonel Bill Smullen, a spokesman for General Powell, said the changes recommended in the report were significant. And he said its conclusions were not intended as a repudiation of the views of Mr. Nunn and Mr. Clinton.

The report is an assessment of the future of the armed forces that the chairman of the joint chiefs is required to submit every three years. General Powell's is the second such report done under a 1986 act of Congress.

Even so, much of it appears to be a point-by-point response to an address on the future of the military that Mr. Nunn delivered on July 2. In that address, Mr. Nunn urged the Pentagon to "thoroughly overhaul the services' roles and missions" and recommended that the Pentagon examine 10 broad areas, including duplication of air power, ground forces, air defense and space operations.

The basic missions of the services were outlined in an agreement thrashed out by Defense Secretary James Forrestal and the military chiefs in a meeting in Key West, Florida, in 1948. The aim of the agreement

was to prevent duplication and interservice squabbling. The agreement, for example, gave the newly created air force responsibility for supporting army ground troops with air strikes.

Mr. Nunn complained in his speech that the Key West accord failed to prevent duplication of military missions. In a speech in August, Mr. Clinton also said that he thought the Key West agreement failed, promising to revisit the issues if he became president.

But General Powell's report defended the Key West accord.

However, he did propose important changes such as unified training for intervention overseas. He also proposed that the U.S. Atlantic Command in Norfolk, Virginia, be upgraded to take on these missions.

In another noteworthy move, General Powell called for consolidating military space operations under the air force.

And in a step that is likely to ignite a debate on Capitol Hill, he argued that the United States no longer needed a large force of fighter jets to protect the continental United States against air attack. The air force, he noted, currently has more than 180 aircraft in 10 Air National Guard F-15 and F-16 squadrons performing that mission, operating from 17 bases around the country.

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POLITICAL NOTES

Following Jefferson's Footprints to Capitol

WASHINGTON — President-elect Bill Clinton will begin his week of inaugural festivities early on Jan. 17 with a tour of Monticello, Thomas Jefferson's estate, and a bus ride to Washington through the Virginia countryside, inaugural planners say. The bus will stop just once along the way, for the 11 A.M. service at the Culpeper, Virginia, Baptist Church.

Mr. Clinton will then follow the route Jefferson took to the nation's capital. One big difference: Jefferson's trip took four days and Mr. Clinton's will last no more than four hours, including the one-hour stop in Culpeper.

Beyond paying tribute to Mr. Clinton's successful campaign bus tour, inaugural planners said the caravan from Charlottesville is designed to revisit the tradition where presidents journeyed great distances for their inaugurations, celebrating along the way. (NYP)

Before Her Swearing-In, a Whiff of Scandal

CHICAGO — Carol Moseley Braun, whose victorious campaign for the U.S. Senate this year was stoked largely by women indignant over the handling of the Clarence Thomas hearings, has come under fire for reports that her campaign manager, who she is dating, has sexually harassed women on her staff.

Ms. Braun, who returned to Chicago on Wednesday after a four-week African vacation with the aide, Kgosie Mathews, called the reports "rumor, gossip, third- and fourth-hand information." (NYT)

FBI is Reported to Investigate Perot Workers

DALLAS — The Federal Bureau of Investigation is investigating allegations against workers for Ross Perot's unsuccessful presidential campaign, the Dallas Morning News reported Friday.

The newspaper said the allegations were that workers conducted background checks on campaign volunteers by breaking into computer systems of companies that issue credit reports.

The report quoted former Perot state campaign coordinators and officials at an Atlanta credit reporting company as saying that stolen security codes were used to obtain credit files of campaign workers.

Clinton's First 100 Days: One Seer's Opinion

NEW YORK — Here it is, the start of 1993. A time to look backward and forward. A time to predict and prognosticate.

Morris Fonte calls himself a telepsychic, which may or may not have to do with the fact that he has a show on Sunday nights on cable television. "I feel what's going on, picking up vibrations and things of that nature," Mr. Fonte said.

He predicts that Mr. Bill Clinton's approval rating after his first hundred days as president will be 65 percent and after the second hundred days, 75 percent. And in New York, where Mayor David N. Dinkins is expected to run for a second term, "it's going to be close between Rudolph Giuliani and Dinkins, but by the skin of his teeth, Mayor Dinkins will win," Mr. Fonte said. Not only that, "New York will be out of the red by 1994." (NYT)

Quote-Unquote

The Amazing Kreskin, the American "mentalist," on what's in store in 1993 for a former presidential candidate: "No go for Ross Perot — his TV talk show is a ratings slow dance." (NYT)

Away From Politics

• National Zoo officials said they had extracted eggs from the body of their dead female giant panda, Ling-Ling, in hopes that high-tech mating practices could produce a cub. Preliminary tests indicate that Ling-Ling, 23, died Wednesday of heart failure.

• The number of people killed in Washington last year, for the first time since 1985, is lower than it was the year before: 448 were slain, down from 489 in 1991.

• Brazil, Djibouti, New Zealand, Pakistan and Spain join the UN Security Council Friday for two-year stints as non-permanent members. They replace Austria, Belgium, Ecuador, India and Zimbabwe.

• The chief of the Environmental Protection Agency, William K. Reilly, has reversed a decision by the agency's office of pesticide programs and permitted California grape growers to use an unregistered pesticide to promote uniform ripening of next spring's crop.

• The government has proposed more stringent standards for bottled water labels, hoping to clarify for consumers the differences between mineral water, distilled water, spring water and others.

• New York State has granted a huge rate increase to Empire Blue Cross and Blue Shield, the state's largest health insurer, presenting 1.4 million New Yorkers with rises in premiums that will average 25.5 percent.

• The suburban Chicago couple, David and Sharon Schoo, who left their young children home alone while they vacationed in Mexico have been released from jail after posting bond of \$5,000 apiece. (AP, AFP, LAT, NYT)

U.S. Warns Somalis on New Clashes

By Keith B. Richburg
Washington Post Service

MOGADISHU, Somalia — Fierce factional fighting continued for a second day Friday on the northern outskirts of the Somali capital, and U.S. military commanders suggested that American forces might intervene if ongoing negotiations with the rival subclans failed to quell the unrest.

U.S. officials said that artillery and mortar attacks had killed at least 17 people and wounded 25 others in the worst flare-up of Somalia's interclan warfare in the city since American troops landed here Dec. 9.

The number of casualties in the fighting that began Thursday night was likely to be higher, since the U.S. military's figures included the toll from only one of the two factions involved.

While the principle mission of the American troops in Somalia is to protect relief supplies and help feed starving people, the latest violence — and the use of heavy artillery less than five kilometers (three miles) from U.S. military positions in Mogadishu — threatened to more deeply involve the United States in clan warfare.

"We view with great concern any firing of any indirect weapons," said Colonel Michael Hagege of the U.S. Marines, referring to the mortars, artillery and recoilless rifles used in the battles. "We are prepared to take action if necessary."

He said that U.S. officials were trying to bring the two warring factions together "so they can resolve their differences peacefully."

The fighting was begun by one small subclan, the Murusade, against a more powerful, rival faction, the Habr Gedir, led by Mohammed Farah Aidid.

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PARIS 10^e

INTERNATIONAL **Herald Tribune**

Hatred and Violence

It was 70 years ago that Ku Klux Klan legions swept into the tiny all-black town of Rosewood in northern Florida and wiped it off the map. People who came back found that all but one building had been burned down and birds were circling because all the leaves were gone from the trees. The Jan. 1 riot, little noted by schoolbooks and remembered only by a group of survivors now dwindled to two, has found its way unexpectedly back into history via The Miami Herald. The survivors, two cousins in their late seventies, want the state legislature to fix the town's name on maps and the story of its violent end firmly in the history books. and to provide some restitution for the modest property seized and burned. The start of a new year is an appropriate moment to reflect on how new history connects to old. That is particularly true after a year full of ethnic atrocities — crimes whose purpose is to erase the presence and then the memory of communities and peoples as completely as racial violence eliminated Rosewood. In all the post-Communist societies, communities are still struggling with the aftermath of such efforts, trying to restore the facts of what occurred in these places 10, 50 or 100 years ago. In Florida, at least, the stories are relatively new. Facing them together from sketchy and conflicting accounts, the Herald reporter Lori Rosza found memoirs...

Bush in High Gear

The George Bush who flew to Somalia has plainly snapped out of his post-election blues. He is charging toward the Jan. 20 finish line. After spending New Year's Day with the troops in Somalia, he was heading for Moscow to sign the monumental START treaty, vastly reducing nuclear arsenals. In only a few weeks he has toughened the U.S. stance against Serbian aggression in Bosnia, and against Baghdad's violations of the no-flight zone in southern Iraq. This follows his administration's completion of arduous negotiations with the European Community on farm subsidies, and with Canada and Mexico on a common market. Indeed, apart from the shameless pardons of the Iran-contra six, nothing better becomes his presidency than its eventful close. Simply by going to Somalia, the president could put a human face on abstractions like "military option." The 12,500 U.S. troops he was greeting have moved with impressive agility to end turbulence and to secure seven food distribution centers. The first phase of Operation Restore Hope is clearly a success. Famine and thugery are in retreat. More than 4,000 troops from 17 other countries are in Somalia, and their total may soon exceed 10,000. In deed if not yet word, the scope of the operation has broadened. U.S. forces now seize weapons and vehicles carrying mounted weapons, the "technicals" that have terrified Somalis and...

Saddam Keeps Scheming

Iraq sent up aircraft the other day in a first testing to see whether the allies would enforce the no-flight ban they had imposed under United Nations authority to keep Saddam Hussein from attacking his southern Shiite population. Presumably Baghdad also had it in mind to assert its claim to full sovereignty over the national territory. The American aircraft on station, after due warning, shot down an Iraqi plane. The United States followed up this action by ordering the return of an American carrier from duty off Somalia to Gulf waters. Of course it would be good if from this single sharp show of international will Saddam Hussein would get the message that the nations that resisted his aggression in the Gulf last year still mean business. It is plain, however, that repeated messages will have to be delivered. The Saddam strategy is to keep probing in every imaginable way to release the restrictions that the United Nations imposed on his country because of his flagrant violations of the international rules. For the allies, the two planes he sent out over the southern marshes are the easiest part of it. No doubt the Iraqi dictator figures time is on his side. There is an undercurrent of anxiety in international thinking about Iraq that goes well beyond a test of wills with Saddam Hussein. Some ask whether the allies, in shortsighted frustration over his survival, have not chanced into a policy twice flawed: It leads in the extreme to the regionally unsettling event of the dismemberment of Iraq, and meanwhile it deprives the Gulf of Iraq's weight to balance and offset a reviving, troublesome and far larger Iraq. It is Bill Clinton, not George Bush, who will have to match up the short-term requirements for enforcing the cease-resolutions of the United Nations with the long-term requirements for Iraqi popular choice and Gulf stability. In this unsettled landscape, the one thing that is clear is that Saddam Hussein continues to avoid a positive role. The allies may have no way in sight to get around him or to get rid of him, but neither can they work with him as long as he violates the stated international will. Since the Gulf War, the allies have shown themselves more than ready to take an Iraq respecting its citizens and neighbors back into international company. Until Iraq is ready to reciprocate, the allies will have to hang on. — THE WASHINGTON POST.

Try Again in Brazil

Brazil has a new president, sworn in last Tuesday after scandal drove out his predecessor. But the country continues to drift, without decisive political or economic leadership. That could be the biggest Latin worry facing Bill Clinton. The crisis can be resolved only by Brazilians themselves. The transfer of presidential power from Fernando Collor de Mello to Inacio Franco illustrates the problems. Mr. Collor, Brazil's first elected leader in 30 years, resigned ahead of a Senate impeachment trial on charges of accepting millions of dollars in illegal payments. Mr. Franco, formerly vice president, has not got a grip on the office in three months of interim rule and has not grasped the urgency of economic reform. Even so, the investigation and impeachment process has been a model of civic responsibility. Military leaders, who ran the country until 1985, scrupulously respected constitutional norms. Political parties, usually weak and undisciplined, coalesced as Congress carried out its solemn duty. Ordinary Brazilians, famous for political apathy, mobilized in the streets for clean government and an orderly transfer of power. Mr. Collor was elected three years ago on promises of clean government and economic modernization. The first promise turned out to be fraudulent, the second gib. His drive for greater economic competition has so far brought mainly recession, inflation and declining living standards. Mr. Franco, acting president since September, enjoys strong popular support. His evident decency contrasts with Mr. Collor's arrogance. And he seems more concerned about poor Brazilians than were his recent predecessors. Yet neither the poor nor the rich can prosper without continued economic reform. Brazil's political leaders, who have just shown such skill at transferring power, need to tackle economic challenges with the same deftness and determination. — THE NEW YORK TIMES.

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International Herald Tribune, 181 Avenue Charles-de-Gaulle, 92521 Neuilly-sur-Seine, France.
Tel.: (1) 46.37.93.00. Telex: Circulation, 612832; Production, 630698.
Directeur de la Publication: Richard D. Simmons
Chairman from 1958 to 1992: John Hay Whitney
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S.A. au capital de 1.200.000 F. RCS Nanterre B 733021126. Commission Paritaire No. 61.337
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To Deter, the United Nations Has to Fight

By Flora Lewis

PARIS — Slowly, painfully, major Western powers are coming to recognize that "protecting humanitarian aid" in Bosnia will not stop the killing and will not stop the war from spreading through the Balkans. Some 2 million people have been forced to flee their homes, and estimates of the dead range from an unlikely low of 30,000 to 200,000. No one really knows. The powers are preparing to act with force. But there are already lessons to be learned urgently — for them, for what they authorize themselves to do under the United Nations flag, and for the United Nations itself as the institution charged with keeping peace. Hear Lieutenant General Satish Nambiar, UN commander for former Yugoslavia. He is speaking alongside Major General Philippe Morillon, French commander of UN forces in Bosnia, after mortar attacks on General Morillon's residence on two successive days — "certainly meant to kill," the Frenchman said. "The actions that were taken were not the right ones. They should have been more effective. But that's history," General Nambiar said. In future, action "has to be taken in a preventive form rather than waiting for disaster to happen."

moral, political and economic suasion will not stop them nor produce a settlement. There is no question that the "no-fly" zone will be no deterrent so long as the Security Council keeps it a UN "no-shoot" zone. There is no question that the UN force in Bosnia is self-paralyzed so long as it cannot use arms under its timid mandate. Time is running out, not only for Bosnians but for Security Council decision. Russian Foreign Minister Andrei Kozyrev is under heavy pressure from the opposition in Moscow to block further UN action, if not actually to support Serbia. The war will not wait for the U.S. inauguration, and without the United States nothing effective will be done. The United Nations cannot be global cop but the United Nations can do no more than its members insist on. There should be a standing UN force, as Secretary-General Butros Butros Ghali urged last June. The French Foreign Legion and British Gurkha units, now being disbanded, are good models of international volunteer commands. That is the kind of force that should be available for the borders of Kosovo and Macedonia. But clear international will to stop the war and prevent its spread is essential now. The

arguments that Bosnia is not "doable" smack of excuses for dithering until the cost of nonintervention by the international community becomes so high that the powers must act, in far worse conditions. Talk about the invincibility of the Serbian army and how Yugoslav guerrillas pinned down German divisions in World War II is to justify reluctance. There have been some 150,000 defections from that army; it is deeply demoralized. The flood of Serbian refugees from Bosnia is in part to escape conscription into Serbian forces there. Even the 21-year-old Bosnian Serb who confessed to many brutal rapes and murders of Muslim civilians said he did it because otherwise he would be sent to fight. Hear the spokesman for British troops in Bosnia, whose government is reluctant to authorize military enforcement of the no-fly area and bombing of Serbian artillery and munitions for fear that they would be attacked. "We don't feel so vulnerable," he said. "We could give a nasty headache if we wanted."

The terrible mistakes so far have been by indifference and excess caution. Each one raised the stake. These are sins of omission, not just wasted time and lives. It cannot be allowed to continue. This is more than a matter of morals. Our peace and security are also involved. — Flora Lewis.



JANZIGER
The Christian Science Monitor
Los Angeles Times Syndicate

Bush Gets Serious About Serbia None Too Soon

By Anthony Lewis

WASHINGTON — U.S. policy toward Yugoslavia has taken a crucial turn. President George Bush has warned Serbian leaders that if they extend their ethnic onslaught to the mainly Albanian province of Kosovo, the United States will intervene. "In the event of conflict in Kosovo caused by Serbian action," a message to President Slobodan Milosevic of Serbia said, "the United States will be prepared to employ military force against the Serbs in Kosovo and in Serbia proper."

the line at Kosovo, it hopes to avoid a wider war that might bring in Greece, Turkey and others. In more personal terms, it means that George Bush has emerged from a year of weakness, evasion and wishful thinking on the Yugoslav question. As part of the last burst of energy that has taken him this New Year's weekend to Arabia, Africa and Russia, he has at last found the resolution — the backbone — to confront the Serbian killers. How much human disaster might have been avoided if he had been decisive earlier; how many thousands of Bosnian lives saved, how

done much more, and still could. Modern weapons could quickly knock out Serbia's supplies of gasoline and gas. Munitions dumps are easy targets. Of course no one should want to make attacks of that kind on Serbia, attacks that cost lives. But it would never have been necessary to make them, in my judgment, if the Serbian leaders had had to take the United States and its European allies seriously. Serbian leaders, however infected by the virus of nationalism, know realistically enough what American and other NATO air power can do. That is why, right now, they are crying so shrilly against the possibility of Western intervention. Perhaps, somehow, Cyrus Vance and David Owen can patch together a peace formula for Bosnia in their meetings this weekend. If not, the only way to save the remaining Bosnian Muslims from cold, starvation and massacre will be to use Western muscle: to protect relief efforts and, when necessary, silence the Serbian gunners. More and more Americans and Europeans believe that the line of humanity must be drawn before the ultimate tragedy in Bosnia, not after. But time is running out. George Bush has taken notably decisive actions as president. But on some of the gravest issues, action has followed long delay and equivocation. He was numb to the great changes in Russia until prodded to move. He wheedled Saddam Hussein until the Kuwait invasion. And he has now a cruel year in Yugoslavia. Now is his last chance to redeem that tragic mistake. — The New York Times.

Arming the Bosnians Is the Next Step

SUCCESS seems to feed the Serbian appetite. Slobodan Milosevic and his supporters in Bosnia are bent on continuing their genocidal war until they achieve the destruction of Bosnia and its non-Serb inhabitants. The world should begin arming and training the Bosnian fighters. Arming the Bosnians was considered and rejected by the U.S. government in August. Given what has happened since then, to continue the arms embargo on the Bosnian victims of Mr. Milosevic is morally wrong and counterproductive in terms of U.S. interests. The lesson of Afghanistan is that arming the victim of aggression is a prudent and workable alternative to the dispatch of U.S. troops or to appeasement. That is because it reinforces economic and political pressures, which by themselves seldom succeed against a determined aggressor. An increased Bosnian military capability would improve prospects for a negotiated settlement. It would confront Mr. Milosevic with the choice of either negotiating a reasonable settlement or facing a long, costly war. Should he choose the latter, it would strengthen his opponents. Arming the Bosnians would not be costly for the United States. As in the case of Afghanistan, the enterprise could be funded in large part by moderate Islamic states. Diplomacy and economic embargo have not worked with Mr. Milosevic. He continues his savage war. The time has come to increase the heat. Arming the Bosnians is the best means. — Zalmay Khalilzad, U.S. assistant undersecretary of defense for policy planning until last month, commenting in The Washington Post.

The ZBM Solution: Get Rid of All Ballistic Missiles

By Alton Frye

WASHINGTON — The past week's breakthrough agreements in the strategic arms reductions talks does more than commit America and Russia to cut nuclear forces to 3,000 to 3,500 warheads each. It opens the way to an even more ambitious goal — a global ban on all ballistic missiles. Zero ballistic missiles — or ZBM, for acronymophomaniacs — is the most effective way to reduce requirements for defenses to manageable proportions. And it is the most promising basis for a durable strategic consensus among Americans and internationally. Moreover, ZBM would be more feasible than the discriminatory regulations that now aim to deny missiles to some countries while reserving them for others. Technically, a prohibition of testing and deployment of ballistic missiles would be far more verifiable than many limits on nuclear proliferation. Monitoring stations at missile production facilities, as provided in both the Intermediate Nuclear Forces agreement and the START treaties can restrain the manufacture of missiles. Existing surveillance systems can reliably detect the flight tests essential to development and maintenance of missile capabilities. Evading a ban on ballistic missile testing would be practically impossible. Enforcing ZBM requires careful monitoring of space exploration programs. A country intent on cheating might try to use space launches to advance missile development. This could be prevented by verifiable limits on rocket production, coupled with pre-launch inspection to confirm the nonmilitary character of payloads. In the past, governments fearing the loss of technical intelligence have blocked such inspections. Procedures already devised can con-

firm the number of warheads deployed on missiles; scanning and radiographic techniques can determine the nature of payloads. Neither reveals the intimate design details that no government wants to share. Strategically, getting rid of ballistic missiles would return military forces to the slower air-breathing technologies that prevailed in the 1950s. In a crisis, such systems enjoy the considerable virtues of being recallable after launch. They offer more time for diplomacy to work. The quest for stability has prompted Russia and America to reduce multiple warhead missiles; with the argument for "imminent" attacks undercut by the transformation of U.S.-Russian relations, there are few compelling reasons to retain any ballistic missiles. There is a strong and understandable inclination in the U.S. Navy to keep ballistic missiles on submarines. They are the most survivable of U.S. nuclear retaliatory forces. Improvements in the accuracy of these missiles mean that they can now be targeted on hardened missile silos and command centers, as well as on bomber bases. But removing ballistic missiles from submarines would not mean sacrificing the usefulness of submarines; U.S. subs can still be armed with cruise missiles. (Cruise missiles fly through the atmosphere like planes rather than ballistically through outer space.) In a strategic order based on post-Cold War premises, subs need not employ ballistic missiles to be a potent deterrent. ZBM would also transform the debate over the Strategic Defense Initiative. Cutting the number of offensive missiles is a clear point of agreement between partisans on

both sides of the SDI issue. Movement toward eliminating ballistic missiles would dramatically reduce the need for the extensive defenses favored by SDI advocates. For a ZBM treaty to be viable, its sponsors will have to deal with the hard cases, namely China and North Korea. It will be difficult to get these countries to give up their profits in ballistic missile sales. But a ZBM initiative would pose the essential question to every government: Would it be more secure by acquiring ballistic missiles for itself, or by denying them to its neighbors? It is not mere speculation to think that, given the power of a U.S.-Russian example, other countries would opt to join the ZBM regime. Recent breakthroughs in superpower arms control have already brought matching steps by other "strategic" missile programs; Britain denuclearized its surface fleet; China, France and South Africa joined the Nuclear Nonproliferation Treaty; Israel and others pledged to limit transfers of missile technology. Governments should see that, while ballistic missiles are not the only problem for international security, they compound virtually all the others. Domestic American political considerations also weigh in this calculus. Apart from the economic savings from ending competition in ballistic missiles, ZBM could provide the core of a strategic consensus linking arms controllers with SDI proponents. From negotiator Paul Nitze to arms control skeptic Richard Perle, from SDI advocate George Canavan to SDI critics Jeremy Spong and Lora Lumpe (who urge a worldwide campaign for ZBM), all have seen advantages in working toward this goal. Eliminating ballistic missiles under verified procedures could make a limited program of defenses more tolerable for its opponents and more doable for its advocates. The idea of banning ballistic missiles was first proposed seriously at the Reykjavik summit in 1986 by Ronald Reagan. What then seemed farfetched and unripe has become timely, appropriate and feasible. — The writer is Washington director of the Council on Foreign Relations. He contributed this comment to The Washington Post.

Tailoring A U.S. Role At the UN

By Leslie H. Gelb

NEW YORK — Can't work with the United States, can't work without it. That is the dilemma Secretary-General Butros Butros Ghali faces as he grapples with America's role in UN peacekeeping and peace-making operations since the Cold War's end. Without U.S. leadership and power, the United Nations lacks muscle. With it, the United Nations loses its independent identity. The secretary-general acknowledges in an interview that the United Nations cannot undertake any major military operation unless the United States participates actively. But when it does, it insists on running the whole show and uses the United Nations as a fig leaf, as in Iraq and Somalia. Thus the double whammy of America's power and its insistence on full control forces the United States to shoulder the burden of policing the world and simultaneously undermines the United Nations, which could otherwise unload some of that burden. The solution to the dilemma is for Washington to back a larger role for the United Nations, even at the cost of some U.S. independence. No one is more aware of both the problem and the solution than Mr. Butros Ghali. "With political imagination," he said from his riverside perch atop UN headquarters in Manhattan, "the United States can play an umbrella role and still allow us to do our operations with, let us say, the necessary minimum of independence."

The UN leader chooses his words carefully, reflecting long years as Egypt's chief diplomat and one year at the United Nations, where he has engaged in intricate battles with the United States and other major powers. He is now tussling with Washington over Somalia. He wants the United States not simply to deliver relief supplies but to disarm thugs and stay until the job is largely finished. But President George Bush has dispatched U.S. forces only on American terms — a quickie operation under U.S. command, with forces empowered only to deliver food and medicine and to "defend themselves." Although the Americans were to operate on their own and not through the UN chain of command, Mr. Bush asked for permission to use the UN flag. Mr. Butros Ghali refused. Relations with the United States have often proved so touchy that Mr. Butros Ghali prefers to talk about cases where Washington's role has not been so prominent. "We have many operations where we have been able to act with force without a central American role," he said, as sea-gulls swooped through the fog past his windows, "and many where we operate with only marginal cooperation from the United States." He cited UN intervention in Cambodia, Angola and Mozambique. Even in these instances, he acknowledged, UN forces require American logistical support, and they hope that the United States will ride to the rescue in an emergency. "But," he said, "it can assure you that in the majority of disputes, the situation can be solved without the big deployment of forces" if the United Nations intervenes early. Mr. Butros Ghali then made a sad admission. He has suspended efforts to establish a standing UN military force. The opposition of the United States and other major powers, he said, remains too strong. Instead he wants member nations to " earmark certain forces" for UN use. He hopes that "at a minimum" the United States will provide logistical support under UN command. "If this can be done, it will solve 60 or 70 percent of the problems" of deploying UN forces to trouble spots quickly and sustaining them. He also wants Washington seriously to encourage regional organizations to act under UN sponsorship. "Let us be very honest," he said, punctuating his tough words with his trademark smile. "Just as the United States doesn't like others to take charge, other countries also don't like the United States to play a dominant role in the United Nations."

The danger, he continued, is that the United Nations "will lose its credibility.... The image will come to be that the United Nations equals the United States, and then many nations will no longer accept the United Nations." He then came to his punch line: "My message is that it is in the interest of the United States to preserve the identity and the minimum credibility of the United Nations. Otherwise, you must be prepared to be the policeman of the world — with all those advantages and disadvantages." — The New York Times.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1893: Battle in Mexico

NEW ORLEANS — According to a telegram from Nuevo Laredo 150 outlaws attacked eighty Mexican cavalrymen, just to the north of that place, on Friday last. The bandits were repulsed, and ten of them are reported to have been killed and twelve wounded. The Government, through the efforts of the governor of Nuevo Leon, has received positive evidence implicating 200 prominent Mexicans living in Tamaulipas, and on the Texas frontier, in an alleged revolutionary movement.

1918: War at New Year

WASHINGTON — Mr. Newton D. Baker, Secretary of War, said in his summary of the war, "The New Year finds the British dominating the plain of Flanders. A wide breach has been made in the enemy's main line of defense opposite Cambrai. The French, with their line intact, hold the key to the Laon region. Italy, aided by the

Allies, is holding on firmly, while the enemy, after fighting in vain for six weeks, is preparing a new offensive. Although operations on the American front are limited, the presence of American troops increases the confidence in ultimate victory."

1943: Teacher Problems

NEW YORK — [From our New York edition:] Iriek at statements by teachers' groups that more experienced teachers are needed in public schools, Mayor F. H. La Guardia informed the Board of Education that more than 1,000 teachers could be added to the teaching staffs if the board would take these three measures: 1. Recall teachers now on sabbatical leave. 2. Retire physically unfit teachers. 3. Appoint substitutes as permanent teachers to replace the physically unfit. "The parents of our children would then have an accurate picture," the Mayor said, "and this talk about not having enough teachers would soon evaporate."

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A Major Player Moves to Christie's

International Herald Tribune

LONDON — The Cold War may be over between the two superpowers but where the two super-auction houses are concerned, confrontation has just gone one step further. It is no longer a question of who gets the best art for sale, but who attracts the finest fighters — the experts.

On Monday, Christie's will announce that Hugues Joffre, who was Sotheby's star expert in Contemporary Art until he resigned in June, is joining the company. In

SOUREN MELIKIAN

his position as "Senior Director, 20th-Century Pictures," the 34-year old Frenchman will play a far greater role than he did at Sotheby's. From now on, he is in charge of getting business around the world where all of the 20th-century masters are concerned, and not just "Contemporary Art."

His appointment is likely to herald some serious rethinking of hitherto unchallenged auction house categorization. "The Contemporary Art label has become irrelevant," Joffre said in an interview. "There is nothing contemporary about works executed in the 1940s by an artist who may be dead now, whether he is Jackson Pollock, who died in 1956, or Nicolas de Staël, who took his own life in 1955."

This is not just a matter of art-historical accuracy. "Associating the living artists with the masters of a bygone era is not the best way to present their work," Joffre said. Behind these remarks lies the concern to be more attractive to the vendor, in other words, to step up business.

Joffre's career suggests that he knows how to do it. After graduating from Grenoble University with a *maîtrise* degree in geography, the young man took Sotheby's fine arts course in 1981-82. He made such an impression on the then director of Impressionist and Modern Masters, Michael Strauss, that he was hired as a trainee cataloguer in the department at the end of the course. By 1983, he was in charge of Contemporary Art in London, which effectively meant organizing sales of Contemporary Art from Europe at a time when the only contemporary art that mattered at auction was American art.

When Joffre put together his first sale in December 1983, his colleagues at Sotheby's more or less expected it to be a flop. Instead, Joffre, who conducted the auction in person, as he has done ever since, sold \$657,800 worth of post-World War II European art. At that time Contemporary Art was sold on a yearly basis at Sotheby's London, but Joffre persuaded his bosses to let him organize another auction six months later. He doubled his December score, surprising all — few in the London auction world thought that Contemporary Art had



Hugues Joffre, 34, who has been named "Senior Director, 20th-Century Pictures" at Christie's.

a sufficiently large constituency to sustain that pace. By 1986, the number of Contemporary Art sales at Sotheby's London had risen to five and by 1990 to 10.

Even in 1991, the year of the great art market crisis, Joffre conducted eight sales in London, Milan and Amsterdam. That same year he was promoted from department director, a position he had assumed in 1988, to senior director. There are few precedents, if any, to such a meteoric career in the auction world and definitely none to the abrupt departure of such a high-level expert, whose abilities were much praised within his own company, that is, until he announced his decision to leave.

Why did he? Joffre says that there was a widespread feeling within Sotheby's that the company was losing steam. "Too much time was spent on internal politics, too little on doing business and seeing clients," he said.

One of the consequences of the internal infighting had a traumatizing effect on Joffre, who has a strong, almost Boy Scout-ish sense of personal loyalty. Mi-

chael Strauss, who built up the fortunes of Sotheby's in the field of Impressionist and Modern Masters over the past three decades, was removed from his twin position as director of the Fine Arts division and director of the Impressionist and Modern Masters department. At one point, Strauss was merely a "senior expert."

This was a tremendous blunder concerning one of the great living experts in the field, whose connoisseurship has long won him international respect. Without publicly acknowledging his faux pas, Sotheby's appears to have since partly amended the situation. But in the meantime, Joffre — who had been hired by Strauss with the further backing, at the time, of another great Sotheby's expert, Marc Blondeau, who left Sotheby's five years ago — decided he could not take it. Thwarted in his financial ambitions as well, Joffre slammed the door.

Whatever the rights and wrongs in the divorce proceedings, Sotheby's may come to regret the move. This is the third time the company has lost one of its key experts

within five years. Blondeau went first, then Jim Lally, America's most brilliant Chinese art connoisseur on the auction scene, was virtually pushed out. And now, Joffre. The big difference is that whereas Christie's made no attempt to go after the first two departing experts, it jumped at Joffre.

Indeed, Christie's went all out to make the offer irresistible the minute his contract with Sotheby's released him on Dec. 9. Joffre makes no secret that his financial position has "dramatically improved." An inside source has further revealed that Joffre will be part of a three-man team that has just been set up to oversee Christie's strategy regarding 19th- and 20th-century paintings. The other two are Christopher Burge, president of Christie's North America, who is, above all, a connoisseur in Impressionist and Modern Masters, and James Roundell, senior director, 19th-Century Pictures.

All this points to a spectacular comeback of the experts to the upper echelons of the auction scene. The 1980s were the decade of the administrators and the financiers. Such an action group would have been controlled by the latter. When virtually everything sold, thanks to indiscriminating hordes of newcomers, auction houses attracted vendors not so much through their expertise as through carefully thought out financial packages offered to them. These could include a reduced or even a zero-commission charged to the vendor, a "guaranteed sale" (the auction house undertakes to pay a minimum agreed price to the vendor, whether or not his work of art sells), a loan on the expected amount at a low interest rate, etc.

Such techniques have proved costly. They have also lost much of their relevance with the traditional constituency of art lovers now back at center stage.

Joffre says that this is particularly true in the Contemporary Art field. When speculators with little knowledge of the art bought paintings like commodities, they felt at ease with financiers whose language they understood. Now the expert is once again the key man in negotiating the sale of a collection to be auctioned. In Joffre's words "the vendor wants to feel not only that the negotiator is knowledgeable about the art they are discussing but also that he likes it." The renewed importance of the experts has been demonstrated in the last few months by Sotheby's slipping behind Christie's in sales of Impressionist and Modern Masters. Professionals feel that the single most important factor is the temporary eclipse of Strauss. Looking further back, the loss of Blondeau did not help either since Blondeau had wide-ranging contacts in France, a major supply source. Joffre who, like Strauss and Blondeau, is French, also has all the desirable contacts. In the big art chess game, Sotheby's has just lost a very significant piece.



Sickert portrait of "King George V and His Racing Manager."

'Great Novelist in Paint': Tribute to Walter Sickert

By John Russell
New York Times Service

LONDON — This critic has waited a long time to see an exhibition of paintings by Walter Richard Sickert (1859-1942) that would establish him once and for all as the outstanding English painter of the first half of this century.

And here it is, at the Royal Academy in London, through Feb. 14, with the full range of his work on the wall, a richly documented catalogue, and a total of 133 paintings procured from all over and elucidated by two ranking authorities on Sickert, Wendy Baron and Richard Stone.

It is a glorious affair, in which all hopes are fulfilled and no twist or turn of Sickert's long career is omitted. Nor is his love of mischief omitted or kept out of sight.

There is a great deal to see in the 133 paintings in the academy. Sickert could do just about anything that he wanted to with brushes and oil paint (and sometimes with pastels, as well). From 1887 onward he could do the London music halls in their heyday.

Performers and public alike were rendered to perfection, with echoes here and there of Degas and Whistler, both of whom he had known, but with an additional and decisive something that was entirely his own.

He could do the great Cockney singers in London — Marie Lloyd and Katie Lawrence among them — at the height of their fame. But when he was on the seacoast in Brighton during the summer of 1915 he went with equal relish every night for five weeks to see a second-rate Pierrot troupe that was performing on the beach to row upon row of empty seats.

To their tribulations he brought an overflowing but not in the least sentimental humanity. The waning daylight, the candy colors of the stage lighting and the undefeated routines that were given, night after night, for all they were worth — all were set down on the canvas.

He could do Venice, too, from 1903 onward, in a way that was once again personal. His Venetian women were like birds of paradise that were not too careful of their feathers, and when he painted them sprawled naked on their beds he was marvelously frank and free, with nothing glossed over but no intention to titillate, either.

But there was London. So far from being born a Londoner, Sickert had lived in Munich until he was 9. Of Danish descent on his father's side, and of English stock on his mother's side, he was the complete European.

But he gave us an immortal account of life as it was lived in the seedy, rundown but never boring part of London that was centered in Camden Town and Mornington Crescent.

He could paint Londoners who were on the edge of criminality and prostitution, but he could also cross the town and paint the great American bluestockings who had chosen to live in Europe. He was friendly with Winston Churchill, whose future wife he had known well in Dieppe, and he was at home, and made much of, in all societies.

Virginia Woolf (no mean judge) ranked him as a great novelist in paint, and he was admired and

bought by some of the foremost French writers and painters of the day. During his years in Dieppe, just before 1914 and again after the end of World War I, he produced an all-seeing but affectionate account of what was then a cosmopolitan little town much favored by French and English visitors.

He painted every corner and recess of Dieppe itself — its arched harbor section, its noble church, its flamboyant statue of a great sea dog of days long past, its casino gambling room, and its far from luxurious café bar with its singers and dancers. Standing backstage, he brought off a painting of one of those singers to Dieppe.

From Dieppe he wrote to a friend that he really was making what he most wanted to make — "deliberately finished elaborate canvases carried out in paint suavely, as delicately and as nervously sharp as my drawings. Shall I have 20 years more just to show what I have been educating myself for?"

As it turned out, he had 25 more years of work ahead of him. But it was during those years that he ruined his chances of a majestic, unchallenged career in England. Instead of sticking to what had served him so well in London, in Venice, in Paris and in Dieppe, he tried, as it were, to erase his tracks.

Instead of starting from drawings, he began to work from newspaper photographs, publicity photographs and Victorian colored prints. Instead of the domestic format that he had most often adopted from time to time on an enormous scale. He also on occasion used studio assistants to achieve, as the Royal Academy catalogue puts it, "a depersonalized formula for producing paintings from the early stages of laying in a design to the final touches of color."

The pictures that resulted caused widespread and intense exasperation. Sickert had worked for many years to perfect a way of painting that was based in a great European tradition. (He had never thought much of Impressionism, preferring to work explicitly from drawings.) Mastery of nuance, inimitable handling of paint, truth to private feeling — all were fundamental to his art, together with a storytelling immediacy that he remembered from the humorous magazines to which his father had contributed drawings in Munich.

There was something both perverse and brazen — so it was said — about his apparent rejection of his past. But in life he had always delighted in disguises. Often they were so complete that even his friends did not recognize him. As a young man he had acted in Shakespeare on the London stage, and in the 1930s he made the most in his work of what he recognized as one of the golden ages of English acting.

He also delighted in the high drama of actuality as it was expressed in the news photograph. He responded to the personalities of Luigi Battistini and Conchita Supervia among singers and Sir Thomas Beecham among conductors. Outside also developed a way of exploiting the news photograph so as to draw from it a poignancy and a psychological acuteness that were not apparent to the newspaper reader.

A capital example of this is the touching image of King George V at the races with the query who managed his horses. The king's look of tender absorption makes this as telling, and as truthful, an image as any in the long canon of English royal portraiture.

Hope Chests Designed To Survive

New York Times Service

NEW YORK — Some of the heaviest hope chests in history were made 300 years ago in western New England for well-to-do women. They are called Hadley chests, a term applied a century ago by the collector Henry Wood Irving to a richly carved example he bought in Hadley, Massachusetts.

Ever since historians have used the word Hadley to describe the wide-board oak chests and other boxy furniture decorated with a tulip-and-leaf motif.

Other patterns appeared later on Hadley furnishings, which were produced along the Connecticut River between 1690 and 1740.

Sunflowers, hearts, pinwheels and undulating vines are all represented in "Hadley Chests," an exhibition at Israel Sack, the Manhattan gallery, through Jan. 23. The show then travels to the organizing museums: the Wadsworth Athenaeum in Hartford (Feb. 7-April 4), and Memorial Hall in Deerfield, Massachusetts (May 1-Oct. 31).

Although chests and cabinets framed without nails or glue and using mostly mortise-and-tenon joinery were common in 17th-century England, experts say that Hadley chests are weightier and more exuberantly decorated than comparable examples from abroad.

No twist or turn of Sickert's career is omitted in London exhibition.

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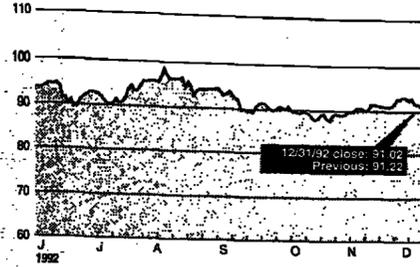
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— hand delivery	S.Kr.	3,200
Switzerland	S.Fr.	680
Rest of Europe, N. Africa, former French Africa, Middle East	\$	630
Culf States, Asia Central/ Latin America	\$	720
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THE TRIB INDEX: 91.02

International Herald Tribune World Stock Index, composed of 230 internationally investible stocks from 20 countries...



The index tracks U.S. dollar values of stocks in Tokyo, New York, London, and Australia...

Table with columns for Asia/Pacific, Europe, and N. America, showing index values and percentage changes.

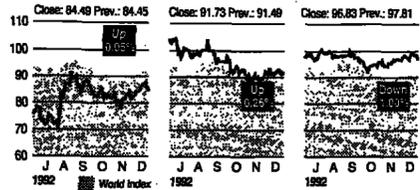


Table with columns for Industrial Sectors, showing values and percentage changes for Energy, Utilities, Finance, Services, Capital Goods, Raw Materials, Consumer Goods, and Miscellaneous.

For readers desiring more information about the International Herald Tribune World Stock Index, a booklet is available free of charge by writing to Trib Index, 181 Avenue Charles de Gaulle, 92521 Neuilly Cedex, France.

Ukraine Reformer Dodges Pitfalls

By Chrystia Freeland, Washington Post Service. KIEV — In the corridors of Kiev's intimidating, granite cabinet building, Leonid Kuchma, Ukraine's new prime minister, is turning his tough personality and an authority gained as head of a big missile factory to the construction of a market economy.

Russia's recently ousted prime minister, Yegor T. Gaidar, launched his reforms nearly a year ago. As a product of one of the mightiest military enterprises in the former Soviet Union, Mr. Kuchma differs from the young, Westernized intellectuals who pioneered reforms in Eastern Europe and Russia, and he says his program will have a distinctly new slant.

Like Mr. Gaidar and the East European reformers, Mr. Kuchma plans to implement a

Leonid Kuchma intends to avoid Gaidar's fate by restructuring industry, not just monetary policies.

package of belt-tightening stabilization measures to bring inflation down. He wants to reduce the figure from 30 percent a month to between 5 and 6 percent a month by the end of next year.

by changing monetary policies, Mr. Kuchma said, "but if the economy does not begin to work from below, if the enterprises do not begin to work, then that will never yield any real results. This is basically what happened in Russia."

In practice, Mr. Kuchma's emphasis on restructuring means an effort to spur privatization — which has made little headway in Ukraine — combined with a tough government-imposed reorientation of the state sector.

To speed privatization, Mr. Kuchma's government is drafting a decree that would turn a portion of Ukraine's rich agricultural lands over to private owners, and Mr. Kuchma has said he will disband collective farms by spring planting time. The government also is conducting a review of the accounts of state enterprises, whose economic status has been obscured by their practice of lending money to each other to balance their books.

For those enterprises that do not fit Mr. Kuchma's new policies, the prime minister has a draconian solution — fire the management and auction off the factory.

Japan Party Set To Lobby Harder On U.S. Trade

By Stuart Auerbach, Washington Post Service. WASHINGTON — Japan's governing Liberal Democratic Party, fearful that the U.S. government will take a tough stance against Japan on trade matters once Bill Clinton assumes the presidency, plans to open its own lobbying office in Washington, a leading Japanese newspaper has reported in Tokyo.

around Washington and arrange meetings with high administration officials and opinion makers. Japan's Asahi Shimbun reported Thursday that the aim of the party's lobbying office would be to establish contacts with Clinton officials, many of whom are unknown to Japanese policymakers, and to collect information on the new administration's policies.

The party, which has controlled the Japanese government for almost 40 years, will be the only governing political party from any country to have its own lobbying operation in Washington separate from the relevant embassy. It reportedly is acting despite Foreign Ministry advice not to set up a lobbying operation because of the risk of backlash in Washington.

After 12 years of friendly ties with the Reagan and Bush administrations, Japanese officials are concerned that President-elect Clinton's trade and economic policies will hurt its interests, especially as its trade surplus with the United States grows and its automobile and electronic companies are falling short of fulfilling past promises to buy more American semiconductors, auto parts and cars.

Brazil's New Chief Pulls Back From Open Market

By Nathaniel C. Nash, New York Times Service. BRASILIA — Brazil's new president, Itamar Franco, has unveiled an economic program that is likely to slow the country's move toward open, deregulated markets and an economy based on a low inflation rate.

Although Mr. Haddad said that other elements of the program would include reducing government deficits, mainly through privatizations, improved tax collections and a new tax on businesses, and giving the central bank more autonomy over decisions involving the money supply, the message was that growth would be the top priority.

that for a period of time many workers are displaced and countries need an inflow of foreign investments to stimulate jobs. This tests the political popularity of government leaders and their commitment to such strict economic policies.

The return to state protection of industry and more closed markets. There was little reaction to the package since it was announced on New Year's Eve, a day when most of the country has left for the beach to mark the beginning of summer. But Mr. Franco's popularity has soared in recent days, and he is certain to have a honeymoon period in which people will be receptive to such economic planning.

Concern for Brazil's 60 million desperately poor by Mr. Franco, who assumed office last week after corruption charges forced the resignation of Fernando Collor de Mello, was prominent in the economic program.

The plan appeared to place Brazil on a different economic path than the one being followed in most other Latin American countries.

The official unemployment rate is 15.5 percent, but actual unemployment and underemployment affects more than half the work force.

The government announced that it would honor all external debt obligations to international lending organizations, such as the International Monetary Fund, as well as all obligations to international commercial banks. But it added that the agreements with the IMF would have to be based on "reciprocity," implying that Brazil would demand more flexibility in meeting the fund's budget and inflation targets.

Mr. Franco's planning minister outlined a program to reporters that would pay government workers more, double and possibly quadruple the minimum wage and create 4 million new jobs over the next two years, in part by government-financed projects.

Many economists argue that although countries can learn to live with high inflation, rates by indexing wages and prices, the very poor are hit hardest by constantly rising prices, while the rich and middle class tend to find ways to offset most of inflation's effects.

He added that the Franco government would be pleased if it was able to bring inflation down to a rate of between 2 percent and 4 percent a month, or an annual rate of 60 percent.

Most of the economic package had been anticipated by Brazilian economists before its release. Still, many worried that it marked

The light against inflation, which has been running about 25 percent a month, or almost 1,500 percent a year, was clearly given a second priority by Paulo Haddad, planning minister and acting economy minister. "We are aiming for selective economic development that will generate 2 million jobs a year without forgetting to fight inflation," said Mr. Haddad, a former economics professor who came to the Planning Ministry in October when Mr. Franco was made acting president. "But the clear priority is to better the standard of living."

But a typical reaction of some skeptics to all this came from Robert Djurdjevic, president of Annex Research, a Phoenix-based consulting firm. "If the IBM board thinks they can FR themselves out of the downturn, the company is in, then they're going to be in for a rude surprise," he said. In addition to its print advertising campaign, IBM has two new television spots. The ads, which will focus on IBM's service business and its global reach, were being shown first during three college football bowl games on New Year's Day.

Advertising campaigns that address corporate problems or try "spin control" in the aftermath of news reports that corporate executives perceive as negative have become increasingly common in the last decade, taking their place as a marketing strategy alongside ads that burnish a company's image or sell its products. IBM's advertisements appear to reflect the sensitivity of the company's top managers to reports suggesting that the company's vaunted technology base has lost some of its effectiveness. "To be more competitive, we have had to close facilities and reduce staff throughout the company," the ad states. "These actions will in no way, however, affect the core research and development our customers have told us is important."

At issue are import tariffs as high as 62.7 percent on Japanese display screens that the Commerce Department imposed in September 1991. The ITC had ruled then that U.S. producers of all types of flat panel displays were injured by Japanese companies selling the screens in the United States at prices sharply below what it cost to make them. The duties had been sought by a group of fledgling U.S. producers of the electronic screens. With one exception, however, these companies have yet to produce commercially viable products. And that company, Optical Imaging Systems, has broken ranks with the companies that filed the original dumping suit. Optical Imaging asked the department last month to halt the anti-dumping tariffs. Such computer makers as International Business Machines Corp., Apple Computer Inc. and Compaq Computer Corp. argued that the tariffs would drive up the price of U.S. computers and force them to move some production overseas. "We're pleased with the court's decision," said Joseph Tasker Jr., director of federal regulatory affairs for Compaq, after the ruling. "We believed that the ITC made the wrong decision, and we think the court's decision confirms that."

ECONOMIC SCENE

Clinton's First Challenger? The Big Deficit Dragon

By Sylvia Nasar, New York Times Service

NEW YORK — Bill Clinton has picked his way through the political thicket and is on the verge of reclaiming Camelot. But to retain the loyalty of his subjects over the next four years, he will have to fight the dragon that has been breathing fire on his predecessors: the \$300 billion federal deficit.

The challenge looks more and more daunting, as Mr. Clinton emphasized at the Little Rock economic teach-in two weeks ago. The Congressional Budget Office has reassessed long-term deficit prospects three times since the last attempt to deal with the monster, the October 1990 budget deal. Each time, the results looked more threatening.

The administration will have to find \$100 billion more in cuts and tax increases.

The latest estimates, published in August but apparently ignored by Mr. Clinton until recently, set off what Time magazine called the "first political crisis" of the Clinton presidency by implying that the new administration would have to find \$100 billion more in cuts and tax increases than the president-elect had planned on. That figure is three times what Washington now spends on education and nearly as much as the cost of Medicaid, the health care program for the poor.

Mr. Clinton and his advisers belatedly used the bad news from the budget office at the Little Rock conclave to brood the idea of imposing unpopular gas and benefit taxes, stretching deficit goals out over the entire decade and shielding some new spending programs by tucking them into a so-called capital budget and therefore effectively removing them from deficit calculations.

Back in the winter of 1991, budget compromise would all but eliminate the deficit in a few years. Last spring, when Mr. Clinton and his team drafted their ambitious economic program, the still-optimistic Congressional Budget Office predicted that a recovering economy and the 1990 budget pact would slash the deficit to less than \$160 billion by 1996. This permitted the Clinton campaign to assert that the deficit could be tamed without inflicting much pain on the middle class.

The budget office now sees a deficit of nearly \$300 billion in

See DEFICIT, Page 8

IBM's Woes, 'In Perspective' Ad Campaign Purveys a Brighter Image

By John Markoff, New York Times Service

NEW YORK — Stung by critical press accounts of the most difficult business year in its history, IBM is running advertisements that try to communicate directly to its customers the company's self-image as a leader, more responsive computer giant.

But the decision to try to shore up the company's image in the midst of its greatest crisis has been greeted skeptically by some long-time IBM-watchers, who say the ad campaign doesn't address the company's fundamental problems.

In a campaign that began over the New Year's holiday weekend, International Business Machines Corp. is running a two-page advertisement that tries to answer the question, "What's really going on at IBM?"

The ad campaign follows a grim announcement on Dec. 15 that IBM will probably report its biggest loss in history for 1992, will scale back employment by 25,000 in 1993 and will trim \$1 billion from both development and overhead spending.

The bleak forecast proved a catastrophe for shareholders, whose holdings lost more than \$6 billion in market value as IBM's stock plunged \$11 in the two days after the announcement. The stock was the most active on the New York Stock Exchange on Thursday, rising 25 cents to close at \$50.375.

The ad campaign was prepared by Wells Rich Greene BDDP, the New York agency that handles image advertising for the company, which is based in Armonk, New York. The campaign does not refer directly to the year's troubles, but instead stresses the year's few bright spots. The ad begins: "We would like to put some

perspective on events that have occurred over the past few weeks."

The advertisement consists of a page of text and the IBM logo, and it emphasizes the company's accomplishments this year. It states that IBM has been reshaping itself for several years, shifting the balance of its business from hardware to software and services. It also notes that such a "bold plan" sometimes requires pain and sacrifice.

But a typical reaction of some skeptics to all this came from Robert Djurdjevic, president of Annex Research, a Phoenix-based consulting firm. "If the IBM board thinks they can FR themselves out of the downturn, the company is in, then they're going to be in for a rude surprise," he said.

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Japan Wins Round In Flat Screen Fight

By Daniel Southerland and Stuart Auerbach, Washington Post Service

WASHINGTON — A federal court decision in a trade battle over imported Japanese computer display screens represents an interim victory for U.S. computer makers.

In its ruling this week, the U.S. Court of International Trade sided with the computer makers, who depend on Japanese suppliers of the thin electronic screens. The ruling went against U.S. makers of the screens, who had won protective duties against the Japanese even though most of the American companies are not yet making commercially viable products.

The court's decision on Tuesday fell short of a final victory for the computer makers because more rulings are expected both from the ITC and the Commerce Department. In the meantime, the duties will remain in place.

At issue are import tariffs as high as 62.7 percent on Japanese display screens that the Commerce Department imposed in September 1991.

The ITC had ruled then that U.S. producers of all types of flat panel displays were injured by Japanese companies selling the screens in the United States at prices sharply below what it cost to make them.

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And that company, Optical Imaging Systems, has broken ranks with the companies that filed the original dumping suit. Optical Imaging asked the department last month to halt the anti-dumping tariffs.

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"We're pleased with the court's decision," said Joseph Tasker Jr., director of federal regulatory affairs for Compaq, after the ruling. "We believed that the ITC made the wrong decision, and we think the court's decision confirms that."

Major Sees Recovery In Britain

Compiled by Our Staff From Dispatches

LONDON — Prime Minister John Major said Friday that Britain would see steady, if un spectacular, recovery from recession this year after a "miserable" 1992.

"Recovery, I think, will be clear this year," Mr. Major told BBC radio. "I don't predict a sudden, bounding, huge recovery. What I want is a sound, steady, stable recovery that we can build on in the years ahead."

He reaffirmed that he had no plans to dismiss the much-criticized chancellor of the Exchequer, Norman Lamont, who presided over record unemployment and bankruptcies and a currency crisis in 1992.

For his part, Mr. Lamont told the Times newspaper that he expected 1993 to be "much better" for the economy than last year, and that "recent evidence" on the economy had been "encouraging."

"He pointed to 'very good' car sales for December, reports of strong retail sales and improving business confidence. "There is every reason to believe that 1993 will be much better than 1992," Mr. Lamont said. "I would not be surprised if trends in the British economy were better than in some of our European competitors."

Meanwhile, two major business groups, the Confederation of British Industry and the British Chambers of Commerce, also gave upbeat predictions for the new year in messages to their members. (Reuters, AFP, UPI)

CURRENCY & INTEREST RATES

Table with columns for Cross Rates, Eurocurrency Deposits, and Key Money Rates, showing various financial data points.

CURRENCY & INTEREST RATES

Table with columns for Eurocurrency Deposits and Key Money Rates, showing various financial data points.

Qatar Hopes for \$2 Rise in Oil Price

The Associated Press

DOHA, Qatar — Oil prices could gradually increase by \$2 a barrel if members of the Organization of Petroleum Exporting Countries abide by their new production accord, Qatar's oil minister was quoted as saying Friday, the day the agreement came into effect.

istrial council wound up its meetings in November in Vienna.

Quoting the oil minister's remarks, the Qatar News Agency said that the first week of the new year would be a real test of the credibility of OPEC.

Overproduction by OPEC member states led to a glut on the world

oil market that sent prices sliding in recent months, after they had almost hit the \$21 dollar-a-barrel level the cartel has sought.

Brent Blend, the international benchmark crude, edged up 2 cents in London on Thursday to \$18.29 a barrel for February delivery.

The minister, Abdullah bin Hamad al Attiyah, estimated that demand for OPEC crude oil in the first quarter of the year would be 25.3 million barrels a day.

The cartel has set an aggregate production ceiling of 24.9 million barrels per day for January through March.

Mr. Attiyah said: "It is therefore expected that if OPEC adheres to the latest agreement, to which all members have affirmed commitment, then the trend for a gradual increase in oil prices will set in to reach reasonable levels, with an increase in current world prices that may reach \$2 dollars a barrel."

The minister included in the calling figure the 318,000 barrels a day produced by Ecuador. That country pulled out of OPEC as the min-

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Herald Tribune advertisement for living in the U.S., now printed in New York, for same day delivery in key cities.

MARKET DIARY

Wall Street Posts A 2d Winning Year

By Tom Petruo
Los Angeles Times Service
NEW YORK — Wall Street closed the books on a second straight winning year as 1992 ended as it began — riding a boom in small-company stocks.

But many analysts warned that the "Clinton rally" of recent months had stretched too far and that stocks were vulnerable to a pullback.
"We're getting too confident, too exuberant," said Richard McCabe, manager of market analysis at Merrill Lynch & Co. "Between here and the next two or three weeks, I'd be trying to take some money off the table."

Dollar Heads Into '93 With Bright Outlook

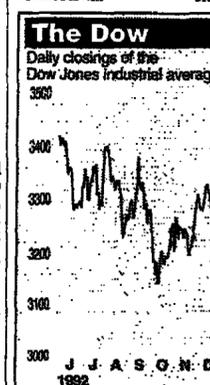
Bloomberg Business News
NEW YORK — The dollar closed out 1992 on an upbeat note amid traders' expectations that its fortunes would be bright in the new year as the U.S. economy continues to improve.
Also favoring the dollar was the belief that the recession in Germany would prompt the Bundesbank to cut its high interest rates sooner rather than later, taking the shine off the Deutsche mark.

Wary of aging blue chips but still desperate for better alternatives to 3 percent money-market returns, investors turned to stocks of small and medium-sized companies and were well-rewarded.
The Nasdaq composite index of 4,000 mostly small stocks jumped 5.10 points Thursday to end 1992 at a record 676.95. For the year, the Nasdaq posted a 15.5 percent rise after surging 56.8 percent in 1991.
The Standard & Poor's mid-cap index, which covers 400 companies considered midrange in size, leaped 9.3 percent in 1992, to finish at 160.56, double the 4.5 percent return of the S&P 500 index, which ended at 435.71.

Overall investor optimism, however, has now reached giddy heights, analysts said. The American Association of Individual Investors' weekly poll of members shows 60 percent to be bullish, a level that usually heralds a near-term peak in stocks.
The dollar finished at 1.6206 DM, up from 1.6163 at the close Wednesday, and at 124.83 yen, up from 124.60.
The U.S. unit also rose to 1.4665 Swiss francs, from 1.4650, and to 5.5275 French francs, from 5.5125. The pound ended at \$1,510.5, after \$1,510.3.

Regarding the U.S. currency's near-term prospects, Karen Kluge, a corporate adviser at Credit Suisse said, "I think we'll get a nice dollar rally. People want to build up their dollar portfolios at the beginning of the year."

She said she believed that once the dollar advanced beyond its recent high of 1.6235 DM, it would bounce rapidly toward 1.6875 DM.



Daily closings of the Dow Jones Industrial Average 1989

Table titled 'NYSE Most Active' showing trading volume for various stocks on the NYSE. Columns include stock name, volume, and price change.

Table titled 'AMEX Most Active' showing trading volume for various stocks on the AMEX. Columns include stock name, volume, and price change.

Table titled 'NYSE Diary' showing price changes for various NYSE stocks. Columns include stock name, price, and change.

Table titled 'Amex Diary' showing price changes for various AMEX stocks. Columns include stock name, price, and change.

Table titled 'NASDAQ Diary' showing price changes for various NASDAQ stocks. Columns include stock name, price, and change.

Table titled 'Dow Jones Averages' showing various market averages and their values. Columns include category, value, and change.

Table titled 'Standard & Poor's Indexes' showing various S&P indexes and their values. Columns include category, value, and change.

Table titled 'NYSE Indexes' showing various NYSE indexes and their values. Columns include category, value, and change.

Table titled 'NASDAQ Indexes' showing various NASDAQ indexes and their values. Columns include category, value, and change.

Table titled 'AMEX Stock Index' showing the AMEX stock index value and change.

Table titled 'Dow Jones Bond Averages' showing various bond averages and their values. Columns include category, value, and change.

Table titled 'Market Sales' showing market sales figures for various categories. Columns include category, volume, and value.

Table titled 'N.Y.S.E. Odd-Lot Trading' showing odd-lot trading statistics. Columns include category, volume, and value.

Table titled 'S&P 100 Index Options' showing S&P 100 index options data. Columns include category, price, and change.

Table titled 'EUROPEAN FUTURES' showing various European futures contracts and their values. Columns include category, value, and change.

Table titled 'Food' showing various food futures contracts and their values. Columns include category, value, and change.

Table titled 'Metals' showing various metal futures contracts and their values. Columns include category, value, and change.

Table titled 'Spot Commodities' showing various spot commodity prices. Columns include category, price, and change.

Table titled 'Dividends' showing dividend information for various stocks. Columns include stock name, dividend amount, and date.

Table titled 'REVERSE STOCK SPLIT' showing reverse stock split information. Columns include stock name, split ratio, and date.

Table titled 'STOCK SPLIT' showing stock split information. Columns include stock name, split ratio, and date.

Table titled 'US. FUTURES' showing various U.S. futures contracts and their values. Columns include category, value, and change.

Table titled 'Grains' showing various grain futures contracts and their values. Columns include category, value, and change.

Table titled 'Metals' showing various metal futures contracts and their values. Columns include category, value, and change.

Table titled 'LIVESTOCK' showing various livestock futures contracts and their values. Columns include category, value, and change.

Table titled 'Financial' showing various financial futures contracts and their values. Columns include category, value, and change.

Mergers Pick Up In U.S.

Compiled by Our Staff From Dispatches
NEW YORK — Merger activity in the United States accelerated in the final quarter of 1992 although the dollar volume of deals declined 10 percent for the year, according to new statistics.
Securities Data Corp. said Thursday that there were 1,377 deals valued at a combined \$36.9 billion in the fourth quarter. It was the highest level in more than a year, and up 27 percent from the 1,355 deals that carried a price tag of \$28.4 billion in the previous quarter.

For the year, volume totaled \$123.9 billion in 5,353 deals, compared with 5,128 deals worth \$173.7 billion in 1991.
The leading investment banks ranked by the dollar value of merger deals completed were First Boston, with 137 deals valued at \$39.2 billion; Goldman Sachs, 121 deals at \$34.4 billion; and Morgan Stanley, 84 deals at \$27.5 billion.

Overseas, however, merger activity was on the decline. Global merger volume totaled \$296.8 billion.
In a separate report, Securities Data said lower interest rates and a solid U.S. stock market enabled underwriters to raise a record of more than \$851 billion in debt and equity in the United States and more than \$11 billion worldwide.
Merrill Lynch continued its leadership in U.S. financing, raising \$140 billion. It was followed by Goldman Sachs at \$104.4 billion and Lehman Brothers at \$99.9 billion.

In underwriting of Eurobonds and international equity issues, Deutsche Bank led the pack with \$22.1 billion, followed by Credit Suisse, First Boston and Citicredit Suisse at \$17.4 billion and Nomura Securities at \$17.3 billion.
(AP, Reuters, Bloomberg)

New Signs of an Improved Outlook

WASHINGTON (Combined Dispatches) — First-time claims for unemployment benefits tumbled 28,000 in the most recent four-week reporting period, Labor Department figures indicated. The average number of claims for the period fell to the lowest level since late 1989.
A separate report Thursday showed that new orders for factory goods fell 0.9 percent in November. But the data left analysts untruffed, since figures published earlier on durable goods indicated that there was a big drop in aircraft orders, which tend to move erratically. Excluding transportation equipment, factory orders climbed 0.5 percent.

Slower Rise Expected for Auto Output

DETROIT (AFP) — U.S. automobile production, including light trucks, will rise 8.6 percent in 1993 to 10.26 million units, two industry publications predicted.
The 1993 production forecast released Thursday by Ward's Automotive Reports and DRI McGraw-Hill calls for lesser growth, however, than the estimated 9.7 percent increase in output in 1992.

Local Content Hurt Zenith in Contract

AUSTIN, Texas (NYT) — An administrative judge disclosed that she had ordered the U.S. Air Force to terminate a \$740 million contract with Zenith Data Systems Corp. for desktop computers because the French-owned computer company had failed to comply with a 1979 trade act.
Judge Catherine B. Hyatt of the General Services Administration's Board of Contract Appeals, who made her decision Dec. 23, said Wednesday that the computer monitors contained foreign-made components that were not "substantially transformed," as required by law, when assembled in the United States.

Settlement Brightens 3M's Prospects

ST. PAUL, Minnesota (Bloomberg) — Minnesota Mining & Manufacturing Co. said it would post a fourth-quarter gain of \$9 million after the settlement of a lawsuit with Johnson & Johnson and restructuring charges.
3M will receive \$129 million from Johnson & Johnson for infringing on the company's patented orthopedic casting materials. The gain from the settlement will be offset by a \$115 million pretax charge to cover the consolidation of manufacturing and the write-down of assets.

Reign of TWA Chief Drawing to Close

WILMINGTON, Delaware (AP) — Carl C. Icahn, the chairman of Trans World Airlines, could resign as early as this coming week now that a major hurdle has been cleared to give TWA's creditors and unions control of the airline.
A judge approved an agreement Wednesday between Mr. Icahn and one of TWA's biggest creditors, Pension Benefit Guaranty Corp., that ends a dispute over underfunded pension plans. This was the last major obstacle to TWA's bankruptcy reorganization. Mr. Icahn is to relinquish ownership of the airline once the settlement is finalized.

Matsushita to Pay U.S. \$1.8 Million

WASHINGTON (AP) — Matsushita Electric Corp. of America will pay \$1.8 million to settle claims that Panasonic overcharged the government for the purchase of typewriters and copiers, the Justice Department said.
It alleged that Panasonic Communications & Systems Co., an unincorporated division of Matsushita Electric, failed to disclose some pricing data in negotiating contracts with the General Services Administration.

DEFICIT: The Untamed Monster Looms as Clinton's First Challenger

(Continued from first finance page)
1997, about the same as last year's and about 4 percent of gross domestic product, but heading higher. That would mean that the deficit would be gobbling up about as much as American households save in a given year.

What is making this monster look so much more threatening now than it did two years ago, a year ago, six months ago?
Three things, the first of which is transitory. Delays in the savings and loan cleanup are pushing spending that would have taken place this year or next into the mid-1990s. The second, no surprise, is the explosive growth of mandatory spending on health benefits as treatments get costlier and more

and more older Americans need them.
The third, less obvious, factor is the congressional agency's expectation that the economy is capable only of very slow growth over the long run, just 2 percent a year. The budget office has been getting gloomier about growth prospects, and since the budget deal it has lowered its five-year forecast by about half a percentage point a year.

That has a significant effect on the deficit, because the lower economic growth is, the slower the growth of business profits, investor returns and workers' wages. Slower growth also tends to make more people eligible for government handouts.

KUCHMA: Ukraine Reformer Tries to Dodge Traps Russia Fell Into

(Continued from first finance page)
sions that he will maintain the support of the factory bosses, who had backed one of their own for prime minister.
"In Ukraine, we have directors who still live in yesterday's conditions, those who live in today's conditions and those who are already living tomorrow," Mr. Kuchma said.

Now, Mr. Kuchma is seeking to cobble together a broad coalition to back his reforms. On top of his existing power to rule the economy by decree until May 1, he is lobbying Ukraine's political parties and trade unions to achieve a "social compact" that would place a moratorium on strikes and political demonstrations.

To those who express surprise at Mr. Kuchma's transformation from rocket maker to market builder, the prime minister describes his turning point — a visit to Italy in 1989 that was his first encounter with the West.
"To be honest, I was afraid, because I was from this military, closed, secret enterprise," Mr. Kuchma said. "But when I walked around Rome and saw all of these free people, with happy, smiling faces, I realized that no one needed me or my rockets."

Debt Pact Denounced
Ukraine on Thursday denounced an agreement transferring to Russia its share of the Soviet foreign debt and accused Moscow of being unreasonable in dividing up Soviet assets abroad.
A diplomatic note sent to Russia's Foreign Ministry said Ukraine would no longer abide by a protocol that authorized Moscow to assume control of Ukraine's 16.37 percent share of Soviet debt.

WORLD STOCK MARKETS

Table titled 'WORLD STOCK MARKETS' showing stock market performance for various countries including Hong Kong, Singapore, Paris, Madrid, Milan, London, and Sao Paulo. Columns include market name, index value, and change.

Markets Closed

Table titled 'Markets Closed' showing stock market performance for various countries including Amsterdam, Brussels, Stockholm, Tokyo, and Zurich. Columns include market name, index value, and change.

WORLD STOCK MARKETS (Continued)

Table titled 'WORLD STOCK MARKETS (Continued)' showing stock market performance for various countries including Toronto, Sao Paulo, and other international markets. Columns include market name, index value, and change.

WORLD STOCK MARKETS (Continued)

Table titled 'WORLD STOCK MARKETS (Continued)' showing stock market performance for various countries including London, Amsterdam, and other international markets. Columns include market name, index value, and change.

NASDAQ

Market Guide
CBT: Chicago Board of Trade
COMEX: Commodity Exchange, New York
NYMEX: New York Mercantile Exchange
NYFE: New York Futures Exchange

EUROPE

ASIA/PACIFIC

Indosuez Sells Its Paris Office

Agence France-Press
PARIS — Banque Indosuez, the troubled banking unit of Compagnie de Suez, has concluded an arrangement to sell and lease back its Paris headquarters in a move that analysts said would generate enough capital gains to veil what would have been bad financial results for the year.

The bank said in November that it expected second-half profit to be slightly higher than the 81 million francs (\$14.7 million) it reported in first half. But it is known to be under heavy pressure because of doubtful property loans and the moribund real estate market in France.

A spokesman for Banque Indosuez said Thursday that the sale of the headquarters building had been made for less than 600 million francs. He added that the deal would enable the bank to show a "comparable" capital gain because the company had owned the building for a long time.

The building was sold to three investment funds controlled by major banks, the spokesman said. These banks have no financial ties with the Suez group, however.

Under the deal, Banque Indosuez would be able to repurchase the building after 12 years, terms of that transaction were not specified, however.

Another Suez unit, Banque La Henin, sold its headquarters to four investment funds in June and leased the building back in order to show a capital gain of 870 million francs.

Poland Pulling In Foreign Investors

WARSAW — The State Foreign Investment Agency announced Friday that foreign investment in Poland topped \$4 billion in 1992, or four times the 1991 level, with Italy becoming the country's single biggest economic partner.

Among companies investing more than \$100 million were Fiat SpA and the Lucchini group of Italy, International Paper Co. of the United States, along with Thomson SA and France Telecom.

Bogdan Chojna, president of the government agency, told the PAP press service that the figures referred to declared investments due to be implemented over the next few years.

Investor's Europe
Frankfurt DAX, London FTSE 100 Index, Paris CAC 40
Exchange Index Thursday Close Prev. Close % Change
Amsterdam CBS Trend Closed 108.30
Brussels Stock Index Closed 5,568.08
Frankfurt DAX Closed 1,545.05
Frankfurt FAZ Closed 602.30
Helsinki HEX Closed 829.00
London Financial Times 30 2,185.20 2,170.00 +0.68
London FTSE 100 2,948.50 2,832.50 +4.09
Madrid General Index 214.25 215.40 -0.53
Milan MIB 887.00 889.00 -0.11
Paris CAC 40 1,957.70 1,958.70 -0.05
Stockholm Affarsvecklingen Closed 1,051.99
Vienna Stock Index Closed 348.46
Zurich SBS Closed 697.80

Very briefly:

- Fried. Krupp AG Hoechst-Krupp, the newly merged German steel group, said it might omit its 1992 dividend after pre-tax profits at the two component companies plunged in the nine months to Sept. 30; profit at Fried. Krupp fell 70 percent to 33 million Deutsche marks (\$20.4 million) and profit at Hoechst slid 20 percent to 69 million DM.
Czechoslovakia ceased to be a member of the International Monetary Fund when it broke in two on New Year's Day, and its IMF assets and liabilities will be shared by the two nations born from its dissolution.
Ireland lifted its remaining exchange controls and stressed that interest rate increases would be used as a weapon against speculators.
Israel's gross domestic product grew by 6.4 percent in 1992, due largely to increased tourism after the Gulf War; the country also introduced tax changes, including a cut in the standard VAT rate to 17 percent from 18 percent that will mean \$300 million in lost revenue.
Mitsui & Co., Mitsubishi Corp. and units of McDermott International Inc., Royal Dutch/Shell and Marathon Oil Co. announced the completion of a study that will lead to the development of the Filun-Astokhskye and Lumsyok oil and gas fields off Russia's Sakhalin Island.
Dubai's Chamber of Commerce & Industry expects the emirate's nonoil trade in 1992 to have grown by 33 percent to 63 billion dirhams (\$17.1 billion) because of new links with Central Asia and Eastern Europe.

Mitterrand Firm on Franc

PARIS — President François Mitterrand reiterated in a televised New Year's address that the government remained committed to maintaining the franc's parity against the Deutsche mark.

He said Paris would "persevere with its policy of keeping a strong currency, the expression of a healthy economy rid of inflation."

France would benefit from this policy, which has meant high interest rates, as German rates begin to fall, which Mr. Mitterrand said was becoming possible, and as the U.S. economy improves, he added.

Campbell Gains on Arnotts But New Court Test Looms

Compiled by Our Staff From Dispatches
SYDNEY — An Australian court has authorized Campbell Soup Co. of the United States to proceed with its takeover bid of Arnotts Ltd., but the cookie and cracker maker said it appealed the ruling, setting the stage for further court battles this month.

The New South Wales Supreme Court ruled that Campbell was not bound by a agreement limiting the company's voting power on Arnotts' board of directors to 14.9 percent, irrespective of the number of shares it held.

Campbell claimed that the agreement, reached in 1985 when the food giant helped Arnotts fend off

a possible takeover by the now-bankrupt Australian entrepreneur Alan Bond, had never been formalized and did not apply to the current takeover.

The court ruled Thursday that "Campbell's interests are not bound by the agreement if they obtain in excess of 40 percent" of Arnotts.

Campbell holds 33 percent of the company and has bid 1.2 billion dollars (\$830 million), or 8.80 dollars a share, to take control with 51 percent. Arnotts shares are trading at about 9.20 dollars.

Arnotts has rejected the offer, saying it is too low. Australia's Foreign Investment Review Board

has given Campbell approval to pursue the offer, as has Treasurer John Dawkins.

Campbell's director of investor relations, Leonard Griehs, said that the court ruling "was accurate and what we've contended all along."

Mr. Griehs added that Campbell representatives would meet soon with Arnotts' institutional shareholders, and added that the food company's offer was a "full and fair price."

A lawyer for Campbell said the company would extend its offer to Jan. 28 from the current closing date of Jan. 12. (AFP, AP)

SEC Expected To Fine 4 Japan Brokers

TOKYO — The U.S. Securities and Exchange Commission, in an unprecedented move against Japanese financial institutions, is to fine the U.S. affiliates of the top four Japanese brokerages more than \$15 million for malpractice, a financial newspaper reported Thursday.

Nihon Keizai Shimbun said Nomura Securities Co., Daiwa Securities Co., Nikko Securities Co. and Yamachi Securities Co. would be fined for using unlicensed brokers.

It also said Nikko will be fined for lying to the SEC and for delaying revealing a loss of more than \$15 million on stock transactions.

Daiwa has been found guilty of rigging at least one U.S. treasury bond auction in 1989 in collusion with Salomon Brothers Inc., the newspaper said.

Nikko faces a fine of \$1 million. Daiwa \$300,000, Yamachi \$200,000 and Nomura \$30,000, it said.

ASEAN Trade Area Begins 15-Year Trek

SINGAPORE — The Association of South East Asian Nations formally put in motion Friday a project to create a free-trade area that is to be phased in over the next 15 years.

But expectations for a barrier-free market of more than 330 million consumers remain modest amid uncertainty about how fast the region's diverse economies would learn to work together.

No ceremonies had been planned for launch of the six-nation area comprising Brunei, Indonesia, Malaysia, the Philippines, Singapore and Thailand.

Friday marked the beginning of the 12-nation European single market, with a total population of 336 million.

The aim of the ASEAN effort is less ambitious: to gradually cut tariffs on trade between members in manufacturing and processed agricultural goods to a maximum of 5 percent by 2008.

Critics say the ASEAN trade association offers too many exclusions and loopholes. Others complain that it is weakened by leaving out unprocessed farm products and the services sector. Still others say that the 15-year incubation period is too long.

The deputy finance minister of Malaysia, Abdul Ghani bin Othman, has said that the single market in Europe posed a serious threat to the ASEAN Free Trade Area, as did the planned economic integration of the United States, Canada and Mexico in a North American Free Trade Area.

The long-standing idea of an ASEAN Free Trade Area was revived in 1991 by a former prime minister of Thailand, Anand Panyarachun. ASEAN heads of government agreed at a summit meeting in Singapore last January to launch AFTA.

Thais Seek Japan Role in Indochina Route

BANGKOK — Thailand will propose this month that Japan help build a new road and related infrastructure linking Thailand with Indochina, The Nation newspaper reported Friday.

The proposal will be put to Prime Minister Kijichi Miyazawa when he visits Thailand Jan. 15-17, the paper said, quoting officials as saying the move would display support for a greater Japanese role in the region's development.

Tokyo is very enthusiastic about the concept and it

wants to see it translated into a concrete proposal," said the deputy foreign minister, Surin Pitsuwan.

Mr. Surin said an infrastructure network linking Cambodia, Laos and Vietnam with Thailand would help draw those three states into the international trade and investment system and would boost tourism.

In Vietnam in December, Thailand's foreign minister, Prasong Soonsiri, had talks about the possibility of building a road from northeast Thailand through Laos to the Vietnamese port of Da Nang. The Nation said.

Investor's Asia
Hong Kong Hang Seng, Singapore Straits Times, Tokyo Nikkei 225
Exchange Index Thursday Close Prev. Close % Change
Hong Kong Hang Seng 5,972.88 5,467.69 +0.81
Singapore Straits Times 1,594.98 1,512.46 +0.79
Sydney All Ordinaries 7,549.90 7,586.20 +0.78
Tokyo Nikkei 225 16,924.96
Korea (Incheon) Composite 885.98 842.55 +0.23
Bangkok SET Closed 893.42
Santo Composite Stock Closed 678.44
Taipei Weighted Price Closed 3,377.06
Manila Composite Closed 1,256.22
Jakarta Stock Index Closed 274.33
New Zealand NZSE-40 1,593.84 1,585.58 +0.09
Brisbane National Index Closed 1,185.80

Very briefly:

- Singapore's economy grew by 5.6 percent in 1992, after a 6.7 percent rate in 1991, but will speed up again in 1993, Prime Minister Goh Chok Tong said.
Taiwan's Council of Labor Affairs said the government would allow more foreigners to work in Taiwan starting early this year to meet the growing demand of business; the council has set an import quota of 47,000 foreign workers for 68 industries.
Shenzhen's special economic zone is to set up China's first gold futures market, a Shenzhen government spokesman said.
Fujitsu Ltd. is to start selling personal computers compatible with those of International Business Machines Corp. in the spring. Nihon Keizai Shimbun reported; Fujitsu wants to reduce its production costs by using IBM components made in Southeast Asia.
Vietnam's State Committee for Cooperation and Investment said it had licensed 555 projects with a total registered capital of more than \$4.5 billion since a foreign investment code was promulgated five years ago; in 1992, nearly 200 projects with \$2 billion capital were licensed.
Yoshida Hong Kong Corp., a unit of the Japanese department store group Yohan International, reported that net profit had grown 54.9 percent to 16 million dollars (\$21.6 million) in the six months to Sept. 30, on an 18 percent increase in revenue to 994 million dollars. (AFP, AP)

BOJ Bailing Out Taiheiyu Bank

TOKYO — The Bank of Japan has extended about 60 billion yen (\$480 million) in loans to Taiheiyu Bank, a second-tier Japanese bank beset by huge bad loans, a newspaper said Friday.

Yomiuri Shimbun reported that the central bank loans, carrying interest equal to the official discount rate of 3.25 percent, followed loans of similar size to Taiheiyu from a group of four major commercial banks, Fuyo, Tokai, Sanwa and Sakura.

Taiheiyu Bank has been restructuring after incurring an estimated 60 billion yen in bad loans as a result of lending to real estate companies in the late 1980s.

NASDAQ Thursday's Prices
NASDAQ closes at 4 p.m. New York time.
This list compiled by the AP consists of the 1,000 most traded securities in terms of dollar value. It is updated twice a year.

Table with multiple columns of stock data, including symbols, prices, and changes.

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MARKET: Single in Name, EC's New Market Makes a Muted Entrance

(Continued from page 1)
Executive body, estimates that 95 percent of the measures it enacted to establish the unified market were in place on Jan. 1. What troubles many analysts is the sense of gloom now pervading the Community and the risk that Europe's leaders are too preoccupied with domestic political and economic challenges to ensure that the unification program is carried out.

Mr. Delors insists that Europe can face up to the global challenge posed by the United States and Japan only by pushing ahead with the cross-border mergers and painful restructuring programs in the private sector that were triggered by the plans for a single market.

"We have to meet our competitors head-on so that we can be treated as equal partners," Mr. Delors said in a recent interview. "If we lapse back into nation-first policies, Europe will become a third-rate power."

The single-market program was conceived by Mr. Delors and others as a way to galvanize the crusade for closer European unity. Breathing life into its scope of sweeping away red tape, the program called for 282 new measures to be enacted across the Community to construct a

single market and bring national laws into line. The elimination of customs rules alone, the commission estimates, will eliminate 60 million documents and save \$14 billion annually.

As economic growth accelerated across the Continent in the latter half of the 1980s, the goal of a single market captured the imagination of governments and investors alike.

American and Japanese companies poured huge sums into the Community to ensure their access to the affluent consumers of a vast Continental market.

But by the end of 1990, after German unification convinced the Continent's leaders that they had to accelerate the pace of European union, the global economy began to slow down, and people became more concerned about protecting their livelihoods. As a result, citizens started questioning the surrender of their national sovereignty, an outcome that was implicit in such union goals as a single currency and a common foreign and security policy.

Some hope the storm will blow over when the European economy revives. But the current economic crisis is shaping up to be one of the more enduring periods of trouble the Commu-

nity has faced. Economists say high unemployment and low growth are likely to persist at least through 1995.

Even though a successful summit meeting in Edinburgh earlier this month revived hopes that all 12 EC states will ratify the Maastricht treaty—the Community's blueprint for political and economic union—by the middle of next year, a deepening recession and restrictive electoralities are tempting European leaders to emphasize their national interests.

The quest for a single European currency is considered a crucial adjunct to the proper functioning of a single European market. Yet, its prospects of becoming a reality by the end of the decade, as prescribed by the treaty, look increasingly slim after a series of upsets in the existing monetary arrangements designed to keep EC currencies tied together.

The Community also has failed to break the stronghold of national monopolies in such key sectors as energy and telecommunications.

And countries such as France and Italy, which have strong state involvement in banks, have fought to stifle more innovative competition from the outside.

Europeans Fete New Frontiers

The Associated Press
BRUSSELS—A chain of a thousand bonfires brightened the night skies from the Azores to Rhodes early Friday to augur in the long-elusive ideal of a huge marketplace in Europe largely unimpeded by borders.

The European Community's single market plan to chop down many barriers to free trade and movement of people became effective Friday after seven years of hard bargaining between the 12 member states.

Belgian customs agents celebrated by wrapping up one of their now-defunct border posts with the Netherlands.

"That's it. Thanks and good luck in 1993," agents sprayed paint on the huge wrapper near Knokke in Belgium.

At the Goldenne Bremm checkpoint on the Franco-German border, French and German officials led by Saarbrücken Mayor Hajo Hoffmann draped ivy over a raised roadblock to symbolize a "green" border. Revelers from both sides hugged each other at the stroke of midnight.

The celebrations were largely muted by other problems, however.

"A certain sense of decency keeps us from celebrating as we should," said Jacques Delors, president of the EC Commission, the executive agency that kept a low profile during the celebrations.

Mr. Delors spoke of rising unemployment, the war in the former Yugoslavia and the grueling negotiations still needed to achieve closer economic and political union by the end of the decade.

BOSNIA: Bush and Mitterrand Will Meet on Sunday

(Continued from page 1)
airbase and to clear routes to prison camps and the Bosnian capital, Sarajevo.

But he said that France, with nearly 5,000 peacekeepers in the former Yugoslavia, was not prepared to go any further without its American and European allies and a UN mandate.

The United States is believed to be considering attacks on airfields used by the Serbs, and even attacks on Serbia itself if the war spreads to Kosovo, a Serbian province inhabited mainly by ethnic Albanians.

The leader of the Bosnian Serbs, Radovan Karadzic, said he had ordered all Serbian airplanes except helicopters in Bosnia grounded on Thursday, to avoid violating the air exclusion zone.

Mr. Major reiterated Friday that Britain wanted a diplomatic solution to the conflict. He said that any action should not harm the flow of humanitarian aid into Bosnia, where 2,400 British troops are aiding UN relief efforts. France also wants a 15-day interval between the adoption of any resolution and its implementation.

French diplomats said the proposed delay met the approval of Mr. Butros Ghali.

Mr. Mitterrand may also discuss with Mr. Bush a proposal to turn Sarajevo into a neutral zone to spare its residents a disastrous winter of deprivation. The French foreign minister, Roland Dumas, said that Mr. Butros Ghali had agreed to study the proposal.

The international mediators in the conflict, Cyrus R. Vance and Lord Owen, are signaling cautious optimism that a new peace effort in Geneva can produce a political settlement.

But diplomats said there would have to be radical shifts in the positions of the main parties to the Bosnian conflict if their first face-to-face negotiations since March were not to collapse in failure.

In Sarajevo, UN intelligence experts also cast doubt on the Bosnian government's interest in negotiating a settlement.

They are convinced that military intervention is inevitable and are gaining confidence in their own capabilities with or without outside military help. (A.P., Reuters, AFP)

UN Chief Jeered in Bosnia
Mr. Butros Ghali was jeered in the streets of Sarajevo when he flew in to press his appeal to the government not to open a military offensive to break the siege of Sarajevo. The New York Times reported.

Bystanders pelted their fists on the sides of the armored vehicle carrying the UN secretary-general and Mr. Vance, the UN special envoy to the Balkans, as they drove through the city's shattered center on Thursday.

Whistles and boos and shouts of "Fascists!" and "Criminals!" greeted the men and their entourage as they visited government leaders, a hospital and UN military barracks.

Mr. Butros Ghali and Mr. Vance have been outspoken opponents of any outside military intervention in Bosnia.

Most Muslims in Bosnia, together with the Serbs and Croats who have joined them, believe that only U.S.-led air strikes against Serbian gun positions and other military measures will end the war.

FERRY: Changing Times During a New Year's Crossing of the Channel

(Continued from page 1)
Colin Shields. "We're all Europeans; we should all have the same time," said Claude Duboc, a French tourist on her way to Scotland.

"We should also all drive on the same side of the road," said Mrs. Duboc, warning to her subject. Unusually for a French national, she said she had not even minded if the whole of Europe drove on the left like the British.

Ignoring such suspect arguments for European harmonization, Captain Mike Edward waited till midnight British time to preside over a small ceremony in which the merchant vessel's oldest crew member, a 62-year-old assistant steward, rang out the old year on the ship's bell and the youngest, a 22-year-old assistant steward, rang in the new.

But that was a British merchant navy tradition that had nothing to do with the single market.

It was a different story on one of the Pride of Le Havre's sister ships, the *Pride of Kent*, also operated by P&O European Ferries, which officially became the first ferry to dock in England, at Dover, under the new European regime. The *Pride of Kent* was host of a huge party, including entertainers, members of the European Parliament and guests from all 12 EC countries,

and was greeted by fireworks over the White Cliffs of Dover.

But if things were quieter on the *Pride of Le Havre*, there were at least some positive signs of change. Three British truck drivers, Simon Watton, Jan Jorgensen and Roly Jupp, said the abolition of EC internal customs controls would make their lives much easier on future trips and should be good for British business.

"Technically, at least, we'll now be able to load in Britain and unload in Italy, just like a delivery from London to Sheffield," Mr. Jupp said.

And at the ship's passport office, the immigration officer, Robert Grouson, said his job would soon be moved back on shore in England so as to de-emphasize Britain's insistence on retaining border controls.

"Because we're at odds with the rest of the EC on this, it's felt that we have too high a profile on board ship," Mr. Grouson said. He added, however, that controls on land would probably be less convenient for passengers and lead to more delays.

But European passengers arriving in Portsmouth early Friday morning found that Britain had in fact made a big effort to smooth their arrival.

European Community travelers can now drive straight through a new, blue EC channel with non-Europeans assigned to a yellow non-EC lane for more comprehensive checks.

Under the much more generous rules of the single market, arriving passengers can now bring in any amount of duty-paid goods bought in ordinary stores in France or other EC countries.

The only limit is a requirement that travelers must be able to prove that amounts over 800 cigarettes or 90 liters (23.75 gallons) of wine are for their personal use.

For travelers from Britain crossing the English Channel both ways, and getting off the ship in France, the duty-free allowance is effectively doubled from the current 200 cigarettes and 4 liters of table wine.

But not everyone aboard the *Pride of Le Havre* believed the single market conformed to Britain's proud naval tradition.

Entering Portsmouth Harbor, the ship passed the *Victory*, the flagship of Lord Horatio Nelson, who tried to bring trade to a standstill by blockading Continental ports and fought to the death against Napoleon's concept of European unity.

"He must be turning in his grave," said Mr. Shields, the purser.

JAPAN: Closed Until Monday

(Continued from page 1)
metropolitan areas. In Tokyo this week, streets are empty, factories are quiet, and the air is clean.

Any holiday that can make this hard-working society close up shop for a week is obviously a powerful phenomenon, and in fact Shogatsu is a more important event on the Japanese calendar than New Year's Day is in the West.

The last few days of the year are the time for the Japanese to do what Americans would call "spring cleaning"—both at home and at work. People assiduously dig through clutter and throw out mountains of trash.

Similarly, outstanding bills, debts and obligations are all supposed to be dealt with. The zeal to

do something about all those unanswered letters is so strong that the post office expected to deliver about 4.8 billion special New Year's cards; that's about 120 cards for every household in Japan.

There is an equally long list of traditional "firsts" to be taken care of.

For example, the First Dream of the new year supposedly determines how lucky one will be for the next 12 months. There is a clear ranking of which dreams are good or bad omens. The best luck of all falls to those who dream of Mount Fuji in the wee hours of the new year. Next best is a dream about hawks. Next after that is a dream about eggplant, which happens to be purple, the traditional sign of wealth and status in Japan.

HOLIDAY: It's Undeclared

(Continued from page 1)
sive, go-go companies shut down. ("Hello, Thank you for calling Apple Computer," the message goes, adding, "We are closed Dec. 24 and reopen Jan. 4th.")

Increasingly, the last week of December has taken on the lazy, languorous feeling of August in Paris. "Oh yes, this is true," Samuel M. Ehrenhalt, regional commissioner of the Bureau of Labor Statistics, said with a sigh. "Work-wise, this is time out."

He was racing to complete a year-end report on employment due Tuesday while answering the telephone because his secretary had taken the week off.

AMEX Thursday's Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

12 Month High	Low	Stock	Div	Yld	PE	100s	High	Low	Latest	Chg
1.46	1.46	AMEX					1.46	1.46	1.46	0.00
1.46	1.46	AMEX					1.46	1.46	1.46	0.00
1.46	1.46	AMEX					1.46	1.46	1.46	0.00
1.46	1.46	AMEX					1.46	1.46	1.46	0.00
1.46	1.46	AMEX					1.46	1.46	1.46	0.00

12 Month High Low Stock Div Yld PE 100s

12 Month High	Low	Stock	Div	Yld	PE	100s
1.46	1.46	AMEX				1.46
1.46	1.46	AMEX				1.46
1.46	1.46	AMEX				1.46
1.46	1.46	AMEX				1.46
1.46	1.46	AMEX				1.46

12 Month High Low Stock Div Yld PE 100s

12 Month High	Low	Stock	Div	Yld	PE	100s
1.46	1.46	AMEX				1.46
1.46	1.46	AMEX				1.46
1.46	1.46	AMEX				1.46
1.46	1.46	AMEX				1.46
1.46	1.46	AMEX				1.46

12 Month High Low Stock Div Yld PE 100s

12 Month High	Low	Stock	Div	Yld	PE	100s
1.46	1.46	AMEX				1.46
1.46	1.46	AMEX				1.46
1.46	1.46	AMEX				1.46
1.46	1.46	AMEX				1.46
1.46	1.46	AMEX				1.46

12 Month High Low Stock Div Yld PE 100s

12 Month High	Low	Stock	Div	Yld	PE	100s
1.46	1.46	AMEX				1.46
1.46	1.46	AMEX				1.46
1.46	1.46	AMEX				1.46
1.46	1.46	AMEX				1.46
1.46	1.46	AMEX				1.46

12 Month High Low Stock Div Yld PE 100s

12 Month High	Low	Stock	Div	Yld	PE	100s
1.46	1.46	AMEX				1.46
1.46	1.46	AMEX				1.46
1.46	1.46	AMEX				1.46
1.46	1.46	AMEX				1.46
1.46	1.46	AMEX				1.46

NYSE Thursday's Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

12 Month High	Low	Stock	Div	Yld	PE	100s
1.46	1.46	AMEX				1.46
1.46	1.46	AMEX				1.46
1.46	1.46	AMEX				1.46
1.46	1.46	AMEX				1.46
1.46	1.46	AMEX				1.46

12 Month High Low Stock Div Yld PE 100s

12 Month High	Low	Stock	Div	Yld	PE	100s
1.46	1.46	AMEX				1.46
1.46	1.46	AMEX				1.46
1.46	1.46	AMEX				1.46
1.46	1.46	AMEX				1.46
1.46	1.46	AMEX				1.46

12 Month High Low Stock Div Yld PE 100s

12 Month High	Low	Stock	Div	Yld	PE	100s
1.46	1.46	AMEX				1.46
1.46	1.46	AMEX				1.46
1.46	1.46	AMEX				1.46
1.46	1.46	AMEX				1.46
1.46	1.46	AMEX				1.46

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MONEY

FIRST COLUMN

Strategies And Virtues Of Saving

THE annual orgy of retrospection has been somewhat prolonged this year because of the calendar. Thanks to New Year's Eve falling on a Thursday, 1993 will be four days old before most people's working year gets under way.

Readers who want to use this weekend to further reflect on the triumphs and tragedies of 1992 are advised to look elsewhere than this column, where we offer a New Year's resolution for investors. Making such pledges may be as much of a seasonal cliché as dwelling on the past, but now is definitely the time to set your personal investment agenda.

The first principle for investors of all sizes must be to save, and save regularly. Although Keynesian economics is beginning to come back into fashion in some English-speaking countries, investors should ignore the ancient doctrine that a dollar saved is a job lost, since saving weakens demand and ultimately hurts the supply side.

Whatever the economic virtue or otherwise of that proposition, there is a financial planning truth to be learned here: The road to financial independence is most frequently paved with savings.

You can save into whatever medium you want—several analysts, for example, have been resurrecting the old call for a bull market in gold. But for the purposes of this column it is assumed that the saving is being made into shares, which have outperformed inflation and most other liquid investment media across most Western and Asian economies.

There are two ways to go about saving. The first is for investors who think they can outsmart the markets. The tactic here is to have a good relationship with a low cost broker who will execute your orders instantly. The strategy is simply to be unbelievably clever, to choose your investments carefully, and to back your confidence with large amounts of money.

The problem with this approach is that it almost never works. Many of the famed investment gurus of the 1980s turned out to be using inside information. And the markets have their own ideas about how easy it is to stay ahead of the pack: The trend among fund managers is to use funds that mirror market index performance rather than try to beat it. Although the funeral anthems for stock picking may be premature, it seems that beating the market is even more difficult than before.

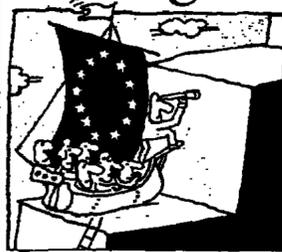
The second method comes with our whole-hearted approval. Just sign a banker's order to transfer an affordable amount of money to a mutual fund (with low charges, if possible). Your investment strategy then is to try to forget about it.

A major benefit of long-term, regular saving is the fact that buying when prices are low tends to more than offset the fund purchases made when prices are high. It's a mathematical truth. The industry, with its fondness for jargon, likes to call it dollar cost averaging.

The element of timing your investment—so important for investors who choose the first savings route—is almost taken out of the decision-making process. Your biggest problem is really when to sell.

And selling is important. Do save, but don't get too emotionally attached to your investments. No one ever got rich without taking a profit.

Intelligent Guesses for New Year



Europe's Troubles

Paul Horne, international economist, Smith Barney, Harris Upham & Co., Paris:

The German mark-French franc link will be suspended. The franc will devalue by 12 percent, and then appreciate against the DM by 15 percent. And the German yield curve will be flat at 7 percent by Bastille Day; a cause for frolicking in the streets of Paris.

Shozo Ishibashi, Japanese market analyst, Nomura Research Institute, London:
The Maastricht Treaty collapses completely and takes the European markets with it.

John Climes, trader, Oddo, Paris:
Jacques Delors will quit as president of the EC Commission to return to France and run for president. Margaret Thatcher will take his place. After an initial drop, the markets rally.

Gerald Peritt, editor, Mutual Fund Letter:
Russia will be admitted to the EC, and European stock prices will advance 100 percent in three months.

Mark White, Jardine Fleming, Hong Kong:
The Bundesbank puts interest rates up again. This finally does the ERM to death. Short the hell out of the French franc.

Warren Oliver, European economist, S. G. Warburg, Paris:

British Thatcherite politicians introduce legislation requiring that the British prime minister come from the House of Lords.

Italy and Germany agree to swap prime ministers: The Italians are in search of purported German efficiency; the Germans are looking for a leader willing to push through fiscal austerity.

If you're really looking for something plausible but unlikely: There is a European economic recovery.

Luxembourg resolves GATT battle between the U.S. and EC by offering to set aside 100 percent of its national agricultural output.

Trude Latimer, chief strategist of Wayne, Grayson Capital Corp., New York:
I don't think the European Community will get its act together that quickly. I'm giving them 10 years.

Jerry Evans, U.K. Strategist, County NatWest Securities, London:

The U.K. could re-enter the ERM, which would bring a huge eruption to the U.K. market. The question is whether the eruption would be in a positive or a negative direction. When the U.K. first entered, the market went up, and then when it dropped out recently, the market went up again. This time, however, were the U.K. to re-enter, I think the explosion would be downward. To have the pound tied within that narrow band again would frighten the business community enormously.

Adrian Carr, fixed income market strategist, J.P. Morgan, London:

Investors should diversify their bond portfolios just in case the Bundesbank buckles under intense economic and political pressure and defaults on a bond payment. A default would cause a run on German banks and major chaos in the European Exchange Rate Mechanism and throughout Europe.



Clinton's America

Trude Latimer, chief strategist of Wayne, Grayson Capital Corp., New York:

I have a whole scenario about the United States. I think it's got 10 years to go, and then it will clearly become a Third World nation. I think it is just destined. We had a nation filled with what seemed menial natural resources, which is not as true now, and a nation of cheap labor.

I think for the next 10 years we'll be okay and after that I'd say, probably not. You have to become increasingly selective. Certain things will always be with us. We'll always have a Long Island Lighting Co.—presumably, there will always be a Long Island.

Robert A. Brusca, head of economic research at Nikko Securities Co. International, New York:

The American economy will expand moderately, at a rate of 1 percent to perhaps 2.5 percent, in the first half of the year.

A lot of Federal Reserve officials would like to reduce inflation further now, so according to another school of thought on the Fed, which is one that I believe in—and I don't think many other people even think about this—the Fed still really wants to reduce inflation more, and the minute that they start to think growth is dependable, without giving any numbers, they'll raise interest rates to try and keep the inflation progress going.

William Donoghue, editor, Donoghue's Money Letter:

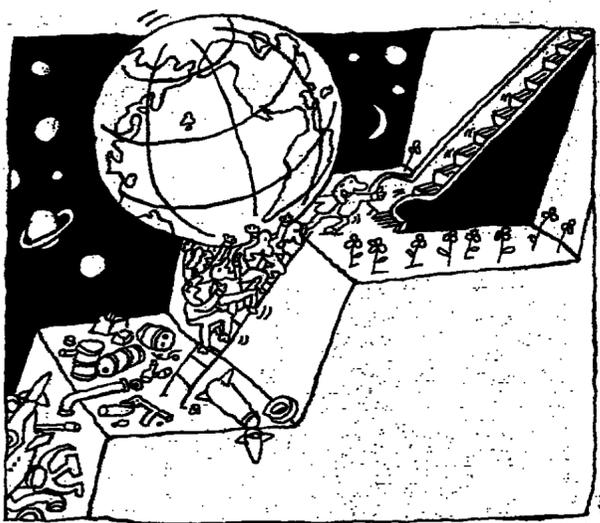
In the next 60 days, over \$1 trillion in call deposits are maturing in U.S. banks. If a large part doesn't roll over, some of the banks will.

• The Boom in Asia

John Wakely, brewer and distiller industry analyst, Lehman Bros., London:

China and India could legalize imports of distilled spirits from the West, which are highly in demand in those markets. Governments in those countries have seen what's happened in Russia and Eastern Europe, where for the past 40 years authorities have paid no attention to the wants of consumers, and those governments were ultimately brought down.

Giving people access to goods they want makes them feel as if they've achieved something. Governments in China, India and other countries in that part of the world have at least started to pay more attention to their population's consumer wants. If Western distilled spirits were legalized, this would

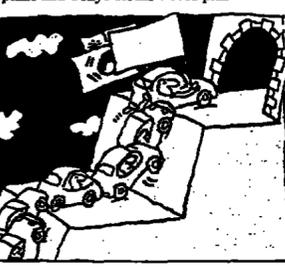


North Asia III

also, of course, provide a significant boon to the industry.

William Arak, partner, Marathon Asset Management, London:

Most investors don't realize how much political risk major corporations are taking when they pump cash flow made in mature countries into the Third World. Markets in the Pacific currently have a zero-risk discount for major political problems—that is partly why they have been so successful. But what if China suddenly invaded Taiwan? The Hong Kong market would immediately disappear, investors in South Korea would panic and Tokyo stocks would plummet.



Off the Record

Robert Clarkson, director, Scottish Mutual Insurance, Glasgow:
There could be a series of structural problems in the Japanese system: a change in psychology as a country that thought it could never experience a Western type of recession heads into recession. That could lead to problems worldwide if the Japanese start to sell their huge property holdings at depressed prices. (Our advice is to make sure you don't focus only on the Japanese market and think about what areas are most exposed to Japan.)

• The Profits of Doom

Alan Levenson, financial economist at Weft Group in Bala Cynwyd, Pennsylvania:

One thing that might set off a rise in gold prices is a big civil war in South Africa. Gold has been resistant to the traditional upward pressure from global unrest, such as the coup in Russia and Iraq's invasion of Kuwait.

With a civil war in South Africa, however, the major gold producer would be out of the market, sharply curtailing production. In that case, it seems to me you'd see the dollar strengthening, you'd see U.S. interest rates

go up, and you'd see commodity prices rise as well, so you'd get inflation shock from the general price rise and the increase in interest rates would derail the U.S. economy.

Thomas Neisse, head of equity research, Deutsche Bank Securities, Frankfurt:

It may happen that the worldwide economy turns out to be in much worse shape than anyone can now imagine. People will realize that the U.S. cannot be the locomotive that pulls the rest of the world along. When people realize that, the markets that are in the most trouble such as Germany and Japan will reel back even further. The world economy will plunge into a deeper recession.

Marc Faber, Marc Faber Ltd., Hong Kong:
Inflation around the world will increase dramatically and the price of silver will double.

• Off the Record — What Some Said, But Wouldn't Be Quoted as Saying

Fiat will announce that it is withdrawing from auto production to concentrate on a more profitable line of business.

KGB documents come to light revealing that the European Common Market originated as a plot to detach Western Europe from the United States.

Jacques Delors will be appointed first emperor in Western Europe since Napoleon.

Italian authorities permit domestic secret bank account; Swiss banking system collapses.

Compiled by Tony Shale in Hong Kong, Philip Crawford, Katherine Burton, Mitchell Martin and Martin Baker in Paris, Judith Rehak in New York and Aline Sullivan in London.



In Forecasting, Chaos May Be in Order

By Martin Baker

READERS beware. Surrounding this article is a selection of some of the more interesting things that experts said last year about what might just happen this year. There are, however, at least two good reasons why readers should be wary of articles containing the deathly phrase, beloved of many journalists, "experts say."

Reason No. 1 is that the phrase may be tantamount to a lie. The lazy or the unprofessional journalist (and some do exist) may use those words to hide a basic lack of research. The journalist calls three analysts, quotes them on the record, and uses some of their other comments in an appeal to the consensus of professional analytical opinion. This is selective journalism: From the evidence of a few calls the writer claims to speak for the majority.

The second reason to be wary of the phrase is that it may actually be true. For some say that the consensus view of "ex-

perts" and "analysts" almost never reflects what happens in the real world.

Those who dissent from consensus views fall into two main groups—the contrarians and the chaos theorists. The contrarians simply assert that the majority of experts are usually in the wrong for a variety of reasons—they are too close to the market, they have a vested interest in being optimistic, etc.

The chaos theorists, however, dissent from consensus on more intellectually complex grounds: They claim that the markets are inherently unpredictable, that they have a random element built into them, which will ultimately confound all predictive systems. And even if the consensus view is sometimes right, this is only due to the law of averages. If believing in the consensus view were a matter of religion, the chaos theorists would be agnostics while the contrarians would be atheists.

What is perhaps most surprising about chaos theory is its popularity in the markets. The institutions that buy and sell on a daily basis simply have to have some idea of the answer to the great, unanswerable question

of what happens next. One of the reasons chaos theory is popular is that it is inherently attractive, when compared to the consensus view.

Consider what happens when the consensus view is correct. The market takes account of all the known factors about a company or an economy and fixes its prices accordingly, based on the assumption that a change of government, a move in interest rates, or some other financially relevant event will occur. Let's say the event is deemed 60 percent probable, and it occurs; the market will hardly move its pricing, since the event was already factored in.

If, on the other hand, a completely unexpected event occurs—the invasion of Kuwait in 1990 was a good example—the market shifts in a radical way. Thus, even though preparing for a five percent probability will not usually pay off, when it does, it pays handsomely.

Although some experts gave straight consensus views, many of those interviewed offered their opinions for 1993 in the spirit of chaos. Some of them might even be right.

A Single European Market for Insurance Shoppers? Not on Your Life

By Barbara Wall

CROSS-border economic and political cooperation has not been Europe's strong point recently as the GATT talks and Maastricht have clearly demonstrated. Despite all the hype, it is difficult to see why the so-called "single market in insurance," which had its theoretical begin-

nings at midnight Thursday, should be any different.

Although recently approved directives allow every European citizen to buy the same insurance product by mid-1994, there remains some skepticism over the practicality of these initiatives.

At their simplest, the directives allow insurance companies to market their full product range across borders. For the consumer this will mean greater product choice, better servicing and lower premiums as a result of increased competition between insurers.

In reality, the single market is unlikely to alter the status quo for many years to come.

Opportunities for cross-border life insurance sales do exist, but there are a number of problems to overcome. In most states, the law provides for the tax deductibility of life insurance premiums. But some states limit such deductions to premiums paid to a national insurer.

In 1990, the EC Commission filed a test case against Belgium on the grounds that this practice was a restriction on the freedom to provide insurance services. Despite some misgivings, the EC Court of Justice in Luxembourg held that the Belgian law was justified in order to guarantee the cohesion of its tax regime.

There is also the currency risk to consider. If you buy a sterling-denominated contract and are paying premiums in French francs, there is no telling what will happen in the long term. You could end up paying higher and higher premiums due to currency fluctuations.

Finally, mortality-rate calculations vary between countries—this will have to be taken into account by the insurer. British premiums for term insurance—the simplest and cheapest form of life cover, which pays out only if the policyholder dies during the term spec-

	ECU	U.S. dollar
Italy	392.	317.6.
Belgium	380.	304.
Luxembourg	355.	284.
Spain	294.	235.2.
France	285.	224.4.
Germany	225.	176.4.
Netherlands	195.	152.4.
Britain	150.	120.

fied in the policy—are among the lowest in Europe, but an Italian national approaching a British insurer may not necessarily get the same deal as a U.K. citizen. Some insurers have already intimated that premiums will vary depending on the nationality of the insured.

So much for the future, what about the current state of play? Table 1 shows the average cost of term insurance across Europe. Although the figures are based on a one-year term insurance contract as opposed to the normal 10 years, they give a fair impression of the premium disparities between countries.

According to the second life directive, which has been adopted in most northern European countries within the EC, citizens can obtain life insurance in any European country provided the policy is bought from the insurer directly—a great news for the Italian customer, who could achieve significant savings by purchasing a policy from a British or Dutch insurer.

Well, that's the theory, what about the practice? Confusion

An Uncommon Market

	Sum Insured £100,000			Sum Insured £250,000		
	smoker	non-smoker	smoker	non-smoker	smoker	non-smoker
Allianz	524.8	822.88	524.8	822.88	1,319.6	2,069.13
Commercial Union ^{1,2}	386.74	606.4	260.38	408.27	905.05	1,419.1
Generali ⁴	343	537.82	244	382.59	610	1,344.56
Nationale Nederlanden ³	296.1	464.28	296.1	464.28	701	1,099.16
UAP						

about sums up the situation. While German and U.K. nationals have been permitted to buy insurance from foreign insurers for some time now, the legality of, say, an Italian

or French national buying insurance from a British, German or Dutch company is not altogether clear.

AGF, the French insurer, re-

ceives at least one application for term insurance each month from an Italian national, yet Italians are apparently not yet permitted to buy foreign insurance contracts. The same ruling applies to French nationals.

More to the point, few insurers are willing to offer coverage to non-resident foreigners. Why? It seems that most are waiting for the 1994 deadline for implementation of the later directives. Language is the main stumbling block. Without proposal forms and product literature written in several languages, it is difficult to see how a nonresident can pick and choose among products.

All the insurers surveyed were unable to offer car insurance to nonresident foreigners. Nationale Nederlanden, however, will consider applications from Dutch citizens living abroad. One problem with this is that to provide car insurance in another EC country, the insurer must obtain authorization from the country concerned.

"And while U.K. rates are currently attractive, they are

Car Policies Stay at Home

CAR insurance is likely to remain the most parochial sector of the European insurance industry. As David Hughes of BIBA pointed out, "For car insurance, at least, it's impractical to cross borders. The man in the street would feel more comfortable with a local presence. A U.K. broker, for example, will find it impossible to service the needs of a Parisian or German from his office in London. The administration costs alone would act as a powerful disincentive."

Another theory is that insurance companies have neither the time nor the inclination to entertain enquiries from nonresidents. A spokesman for Allianz, the giant German insurer, commented, "The market is too small to be profitable at present. Most insurers are primarily interested in establishing a presence in other European countries, either through a merger or by setting up a foreign subsidiary."

Both Allianz and Nationale Nederlanden do not discriminate between smokers and nonsmokers, worth bearing in mind if you are addicted to the weed. Moreover, there is no foreign currency surcharge on these contracts.

At the end of the day, shopping around is not going to be a big thing unless insurers change direction and start showing an interest in this market.

"What we can expect is a leveling out of product range and prices," said David Hughes of BIBA, a British insurance industry association.

"Taking value added tax as an example, 10 years ago the countries of Europe had vastly differing rates, now they are all much closer. The same development is likely to occur in insurance."

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THE MONEY REPORT

Mutual Funds Wait at the Borders

By Rupert Bruce

EUROPEAN investors who expect the dismantling of trade barriers to be accompanied by a swift influx of new and, perhaps, more competitive mutual funds should think again.

While the European Community's Single Market officially arrived with the New Year, the directive known as the Undertaking for Collective Investments in Transferable Securities (UCITS, for short), which allows cross-border marketing of European mutual funds, has been in place since 1985.

Indeed, such is the disillusion that many seem scarcely aware that their marketplace will shortly be extended to the countries of the European Free Trade Association (Sweden, Liechtenstein, Austria, Norway, Finland and Iceland). This will happen when the European Economic Area, a free-trade zone stretching from the Arctic to the Mediterranean, is created and the EFTA countries adopt the UCITS directive along with other EC legislation.

The Swiss delayed the implementation of this when they rejected the trade accord at their referendum on Dec. 6. Now the EFTA countries have a deadline of July 1, 1993, rather than Jan. 1.

Greg Cremen, European business manager at Fidelity Investments, and as such an American working for a European mutual fund company with American percentage, thinks that Europe's mutual fund companies have failed to take into account national differences. He said: "Quite simply, they have assumed that people will just want to make money without regard to the cultural niceties of the other countries."

He believes that British mutual fund companies have made the most effort to penetrate other European marketplaces. But he thinks their approach has been simplistic and arrogant. He said: "They go to them with equity-style products and say to them, you were silly to invest this way for the last 50 many years. With equities you would have made much more."

"But German investors have been happy to invest in bonds with a 6 percent return when inflation has been 2 to 3 percent."

National preferences vary widely throughout Europe. While the Germans are keen bond investors, the French prefer cash funds and the British have traditionally opted for the mixture of high reward and high risk offered by equities.

One British house, Baring International Fund Managers (France), had planned to market quite a wide range of equity funds to the French from its Paris office, but has found there is little appetite for its more specialist funds. Among others, the company's U.K. Smaller Companies Fund has been withdrawn from the French market.

Julian Rameau, managing director, said: "French investors are not terribly interested in the U.K. market and they are even less interested since what they see as the devaluation of the pound."

The British, in particular, are said to do little to try to overcome investors' preference for their countrymen's investment products. "The British mutual fund industry has shot itself in the foot by not adapting," said Ms. Rameau. "They have not been looking to adapt to what the European market wants; particularly in terms of structure."

But Diana Mackay, editor of the European Fund Industry Directory, says it is difficult to adequately reward third parties. The bond and cash funds, which the Germans and French favor, do not typically carry high initial charges from which to pay commissions.

Another barrier to cross-border marketing not addressed by the UCITS directive, which merely ensures that there are no regulatory hurdles to be overcome, is that of taxation. The jumble of different regimes that exist puts a fund that is tax efficient in one country at a disadvantage in the next.

Teddy Belin, marketing manager of Hypo Foreign & Colonial, says that Danish tax law imposes a penalty on all funds that accumulate income and do not pay it out.

"That means for us trying to market an accumulating fund in Denmark is almost impossible," he said.

The mutual fund company that has probably had the most success in selling across European borders is the Dutch Robeco Group. It has operations in three European countries and actively markets its funds in at least six.

But then, as Willem Engelberts, managing director, explains, it has been expanding from the Rotterdam headquarters since the 1950s. And that was long before the Single Market.

the clearest in Europe, but they do not see it that way.

Cultural differences aside, mutual fund companies face distribution problems in seeking to penetrate what may prove to be the most promising markets: France and Germany. The large domestic banks dominate the markets in these countries, making it difficult for foreigners to break in.

Foreign companies are left to try to distribute through relatively small firms of independent brokers, private banks, regional banks, lawyers or accountants, or to go through the costly process of setting up their own sales force.

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Charting the Waters of Map Collecting

By Judith Rehak

WE live in turbulent times. The wars, revolutions and political upheaval of recent years mean that the map of the world is, literally, constantly changing. But charts of a divided Germany or a prewar Yugoslavia may one day have more than a historical interest, to judge from the burgeoning financial importance of map collecting.

Most of the interest in the venerable art of cartography has been spurred in the United States during the past year by the 500th anniversary of Columbus's voyage to the New World, and several splendid exhibitions. Joan Blaeu's Great Atlas of 1662, an example of some of the most beautiful and accurate maps of the period, is a centerpiece of an exhibit at the New York City Public Library running through Jan. 8. "The Power of Maps," at the Cooper-Hewitt Museum until March 7, displays 300 examples dating from 1500 B.C. to contemporary times.

Moreover, in contrast to the high prices of other areas of the art market, maps still remain affordable. "People are often surprised at the very fine things that can be bought from \$500 to \$5,000," notes Mr. Augustyn. For example, a 1661 celestial chart by the Dutch cartographer Cellarius, which he recently sold for \$4,800, displays vividly the aesthetic glories of antique maps. At the center, the sun reigns in golden splendor, surrounded by a roseate universe in which the planets orbit, while in the margins the 12 zodiacal signs float on a background of blue. For more modest budgets, Mr. Augustyn's prices can start as low as \$700 for a beautifully engraved 17th-century map of several European countries. At the Argyos gallery, which has the largest medium-priced collection in the country, maps of the United States dated around 1850 sell for \$70 up.

Maps also fascinate because they convey important historical and scientific events. Church-approved maps published in 1661 show the Earth at the center of the universe, while other versions, inspired by Copernicus's revision of the solar system and the growing use of the telescope, place the sun at the center. Maps document the misconceptions of the early years of global exploration. A 500-year-old map by the German cartographer Schedel shows Africa surrounded the Indian Ocean and is embellished with grotesques with beaks for mouths, six arms and four eyes, presumably the inhabitants of unexplored lands.

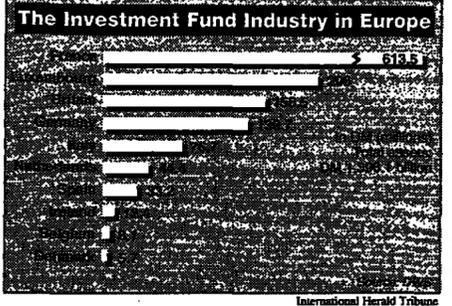
The range of antique maps is so wide that it can be difficult for a novice collector to know where to start. The best way? "Pick a category. It gives you a focus," advises Philip Curtis, manager of The Map Shop in London, which stocks 15,000 maps dating from 1488 to the end of the 19th century. A popular choice for his American customers, who like the cachet of buying a map in London, is his home state. "You can get a hand-colored map of a U.S. state around 1855 by Joseph Colton, an American cartographer, starting at \$30 [\$46]," notes Mr. Curtis. British collectors are partial to 16th-century English county maps by Christopher Saxton, while maps of the Far East are favored by the Japanese, who have become avid collectors in recent years.

Decorative maps of the world are always in vogue, particularly those of the 17th century, the height of the Golden Age of cartography, when Dutch engravers like Willem Blaeu and Abraham Ortelius combined their country's international outlook and their talents to produce masterworks. There is also an array of subcategories, such as astronomical maps showing stars and constellations, railway maps and sea charts used by sailing captains showing only coastlines. Some collectors accumulate only cartographic curiosities — among the most famous, one depicting California as an island, a mistake that endured from 1625 to 1720, when further exploration revealed otherwise. "California just love it," says Miss Servin of the Argyos gallery.

What should beginners beware of? Mr. Augustyn says that occasionally someone will buy to him that they have bought a map at a bargain price, only to discover that it is a reproduction. To avoid such mistakes, buy from map specialists, he advises, and study their catalogs, which are mines of information, describing and authenticating maps. "Don't buy maps in general antique stores," he warns.

Occasionally, though, a treasure is uncovered in some serendipitous fashion. Mr. Curtis tells of a builder who came to see him with a map rolled up in a length of plumbing pipe. "He had found it in the wall of a house in Greenwich, and it turned out to be a manuscript survey of the royal palace of Greenwich and its grounds done by the royal surveyor to Charles II. It was the finest I've ever seen and worth several thousand pounds," said Mr. Curtis. "But he had no interest in selling it. He did say that he'd have it properly framed though."

Most collectors are motivated by the aesthetic and historical aspects of maps, but they are also a worthy investment. A 1630 world map by Blaeu, which sold for \$4,500 five years ago, can fetch \$8,500 today, and the general category is appreciating roughly 10 to 20 percent a year. Mr. Augustyn, who deals in the high end of the market, reports that maps valued over \$10,000 are doing even better.



INTERNATIONAL FUNDS

Dec. 31, 1992

Table listing various international funds with columns for fund name, currency, and price. Includes sections for 'Other Funds' and 'INTERNATIONAL FUNDS'.

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SPORTS BASKETBALL

At the Rainbow's End A Golden Michigan

The Associated Press
Michigan completed the best 72 hours any college basketball team may have ever had with an 86-74 victory over No. 2 Kansas in the championship game of the Rainbow Classic in Honolulu.

The sixth-ranked Wolverines (9-1) completed a hat trick that included victories over No. 20 Nebraska, No. 5 North Carolina and the Jayhawks, and handed the last two their first losses of the season.

They did it every way possible: With an easy 88-73 victory over Nebraska, a 79-78 buzzer-beater over the Tar Heels and by handling the Jayhawks on Wednesday night despite having lost a starter to an injury.

None of college basketball's top 25 teams played Thursday.

"We're proud having gone through it, but it's

to the subs, with Erik Meek, the sophomore backup center, ending up as the Blue Devils' leading scorer with 21 points.

No. 3 Kentucky 86, St. John's 77: Freshman Rodrick Rhodes scored 23 points and seldom-used Junior Braddy hit two key 3-pointers as the Wildcats (8-0) stayed unbeaten despite a subpar performance by Jamal Mashburn and the efforts of St. John's (5-4), which broke Kentucky's pressure defense throughout the game in New York. Mashburn, averaging 24.9 points, missed his first 10 shots, and his only field goal of the game was a dunk with 10:49 left. He finished with seven points on 1-for-13 shooting.

No. 5 North Carolina 101, Hawaii 84: The Tar Heels (9-1) used a career-high 28 points from Eric Montross and 19 from George Lynch to dominate inside in the third-place game of the Rainbow Classic.

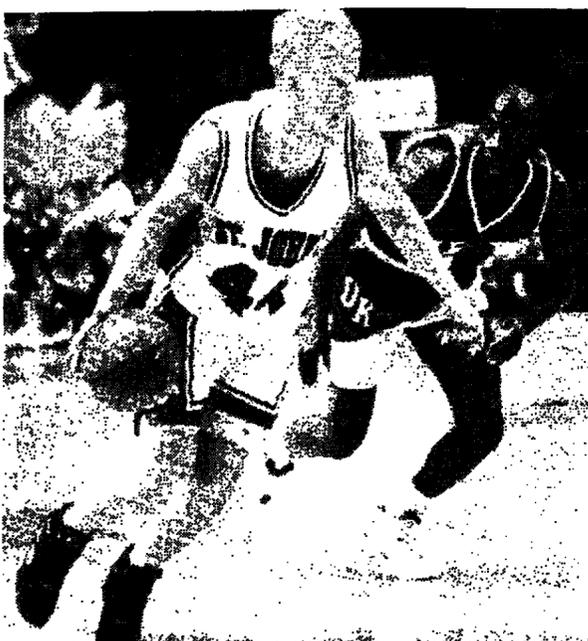
No. 7 Seton Hall 87, James Madison 66: Luther Wright, the tournament's most valuable player, had a season-high 16 points and 12 rebounds for the Pirates (11-1) in East Rutherford, New Jersey.

Northeast Louisiana 87, No. 9 Arkansas 78: Isaac Brown made two consecutive 3-pointers to give Northeast Louisiana (6-2) the lead for good in Little Rock. Arkansas and Maurice Stephens provided 21 points and 19 rebounds. Arkansas (8-1), which went from unranked to the top 10 on the strength of victories over Memphis State, Arizona and Missouri, missed 12 of 26 free throws against Northeast Louisiana.

No. 10 Georgetown 64, California-Irvine 60: Duane Spencer scored 20 points and grabbed 11 rebounds as the Hoyas (7-0) won the Freedom Bowl Classic in Irvine, California. Neither team was able to build more than a two-point lead after the opening minute of the second half until Lonnie Harrell's 3-point shot with 9:50 remaining gave Georgetown a 50-46 advantage.

No. 11 UCLA 90, Cal State-Fullerton 82: Mitchell Butler's tight defense in the second half cooled off Fullerton's Don Leary, who made his first five 3-point shots and scored 16 points early in Los Angeles. Ed O'Bannon scored 23 for the Bruins (8-2).

Boston College 94, No. 12 Syracuse 93: Howard Eisley hit a 23-foot jumper at the buzzer in overtime in Syracuse as Boston College (6-2) ended a 10-year losing streak at the Carrier Dome. The shot came after Syracuse (8-1) blocked two shots.



Jamal Mashburn, chasing Fred Lyson of St. John's, played poorly but Kentucky won.

No. 15 Oklahoma 85, Texas 79: Bryan Sallier scored 24 points and grabbed 15 rebounds as Oklahoma (9-1) used its size advantage to beat Texas (5-3) in the final of the All College Tournament in Oklahoma City.

No. 16 UNLV 79, Hofstra 41: J.R. Rider scored 20 points and Eric Gray added 15 points, 12 rebounds and 5 blocked shots as the Rebels (5-0) won their 51st straight at home.

No. 17 Michigan State 77, Washington State 61: Mike Peplowski of the Spartans (7-1) showed off an impressive hook shot at center and had 24 points and 14 rebounds in the final of the Spartan Classic in East Lansing, Michigan.

No. 18 Florida State 94, South Florida 73: Scott Cassell tied a career-high with 34 points, his backcourt mate, Bob Sura, keyed a second-half surge with three 3-pointers and the Sem-

inoles (8-3) locked up their fifth straight victory by outscoring the Bulls, 14-0, over a five-minute span in the second half.

Cornell 74, No. 19 California 54: With Jason Kidd, the injured freshman sensation, sitting out the game in East Rutherford, New Jersey, the Golden Bears (5-2) were forced into 19 turnovers by Cornell (3-3) and held to 36.4 percent shooting.

No. 20 Nebraska 79, Fordham 55: Nebraska (8-3) ended its three-game losing streak and wrapped up a disastrous trip to Hawaii in the seventh-place game at the Rainbow Classic.

No. 22 Arizona 75, West Virginia 74: Mike Boyd — who said later, "I wasn't thinking" — drove for a lay-up instead of pulling up for a 3-pointer with two seconds to go, enabling Arizona (4-2) to escape with the championship of the Fiesta Bowl Classic.

A Match Made in Phoenix: Lucky Coach, Aging Star

By William C. Rhoden
New York Times Service
NEW YORK — Mention the Phoenix Suns, and one's mind zooms back to Friday, June 4, 1976, at Boston Garden. Game 5 of the National Basketball Association championship series between Boston and Phoenix, the series tied at two games each.

Phoenix trailed by two points with two seconds to play in the second overtime. Garfield Heard took the inbound pass and in one motion turned and shot. Bingo: triple overtime!

The Suns eventually lost, 128-126. Immediately after the game, the players were so drained that several of them sat, motionless, on the floor, exhausted by the physical and emotional effort.

Phoenix would continue to be a successful franchise, but the 1976 series marked the first and only time the Suns would appear in the NBA championship finals.

Almost 17 years later, Paul Westphal still smiles at the memory of that game. He recalls the shot, the fatigue, the heartbreak. The 1975-'76 season was his first with Phoenix, where he had been traded after three seasons with Boston.

Today at 42, Westphal is in his first year as coach of the Suns. Two months into the season, Phoenix is the hottest team in the NBA. On Wednesday, the Suns routed Houston, 133-110, for their 14th consecutive victory.

The Suns' early success under Westphal is part of a pattern for the young coach. Westphal seems to have had a charmed professional career: After he was traded by Boston, the Suns wound up in the finals. Westphal spent five seasons with the Suns, four as an All-Star.

After a successful season as a first-time coach at Southwestern Baptist Bible College in Phoenix, Westphal was offered the head-coaching job at nearby Grand Canyon College, where he compiled a record of 63-18.

Before the 1988-89 season, the Suns called Westphal, offered him a job as an assistant with the idea that in two to four seasons, when Cotton Fitzsimmons retired, he would become the Suns' head coach. Now in his first season, Westphal seems to have been dealt another good hand: The Suns call home the \$89 million America West Arena, which opened in June; they have also been given a corporate jet by America West to use for the season.

Of course, the most significant addition is

Charles Barkley, who was traded to Phoenix by Philadelphia after eight seasons.

This was an odd marriage: Barkley, known for speaking his mind, following his own rules, and Phoenix, a laid-back, some might say conservative, Southwestern city.

After two months, the marriage is working. "I respect him; he respects me," Barkley said. "He doesn't try to keep me in my place."

"My contribution is I let Charles play," Westphal said. "I haven't inhibited the players to the point where they're afraid of the coach."

"I think the game should be for the players. The fans like to watch; that's great, let them in. The media wants to be there to put it on TV, great. But the game is a player's game."

The effects of the relationship between Westphal and Barkley, who turns 30 on Feb. 20, may go beyond basketball.

For Westphal — through high school, at USC and as a professional basketball player for 12 seasons — the cornerstone of his philosophy has been a certain selflessness.

"The biggest danger to any first person is when they start putting themselves first, that's when guys get in trouble," he said. "Get selfish, childish, lose perspective."

Barkley is a fierce individualist who has managed to blend his talents within a team concept while remaining its dominant force. But as his career winds down, Barkley's greatest challenge in Phoenix extends beyond winning a championship and goes to maturing and generally nurturing aspects of his character that have gone unattended.

"I am just now learning who I am because I haven't had a chance to grow up and mature," he said. "I've been in the so-called limelight since I was 18 years old, and I'm 30 now. People tell you: 'You're great; you're great; you're great.' Then all of a sudden, you've got all this money, you don't think you need anybody. You get caught up in it, and it's hard to get out."

Westphal has mastered the art of not being blinded by comfort, or made soft by relative privilege. Barkley, with his more modest upbringing, is a hardened warrior who thinks he has had to scratch for everything.

Now they are here, together, in the desert. Westphal is just beginning as a professional head coach. Barkley has come here to retire. They seem to have valuable lessons to teach each other.

COLLEGE BASKETBALL

the most tired I've ever been," said Chris Webber, who was named most valuable player after scoring 16 points and grabbing 11 rebounds.

Jalen Rose, who won the North Carolina game with the rebound basket as time expired, didn't wait nearly as long for his heroics in the title game.

He finished with 25 points and keyed a second-half drive that broke the game open. He also made six of six free throws — and the team made 14 of 16 — in the final 4:09.

"We played three top-notch teams in three days. We weren't given the easiest schedule," Rose said. "Every night we did a great job."

Rex Walters, the outstanding Kansas guard who had been suffering through a shooting slump all season, scored a quick five points on a 3 and a bullet drive for a lay-up to get the Jayhawks (9-1) within 45-40 with 16:39 left. Rose, who spent the day of the game with his left wrist — his shooting wrist — in a splint after banging it hard in the semifinal victory, then went to work.

After a free throw by Eric Riley, he found Chris Webber with a lob pass for an alley-oop dunk and then scored in the lane after forcing a turnover. Michigan had a 10-point lead with 14:07 to play.

No. 1 Duke 102, Boston University 62: Duke (8-0) breezed to a 55-16 halftime lead in Durham, North Carolina, then left the second half

SCOREBOARD

BASKETBALL

NBA Standings

EASTERN CONFERENCE			
Atlantic Division			
W	L	Pct	GB
New York	18	6	—
New Jersey	16	12	2 1/2
Orlando	13	15	5 1/2
Boston	12	17	6 1/2
Philadelphia	8	23	12 1/2
Miami	8	23	12 1/2
Washington	8	23	12 1/2

WESTERN CONFERENCE

Midwest Division			
W	L	Pct	GB
Utah	18	6	—
Houston	14	11	3 1/2
San Antonio	12	13	5 1/2
Denver	7	20	12 1/2
Minnesota	5	22	15 1/2
Dallas	2	29	22 1/2

WEDNESDAY'S RESULTS

LA Lakers	25	25	27-74
Orlando	37	32	24-93
Portland	8	15	55-81
Phoenix	11	12	77-82
San Antonio	11	12	77-82
Seattle	11	12	77-82
Utah	11	12	77-82
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SPORTS FOOTBALL

Notre Dame Crushes Texas A&M, 28-3, In Cotton Bowl Game

Tennessee Wins Hall of Fame

TAMPA, Florida — Heath Shuler ran for two touchdowns and threw for two more Friday as No. 17-ranked Tennessee launched the Phillip Fulmer era with a 38-23 victory over No. 16 Boston College in the Hall of Fame Bowl.

Shuler, the versatile sophomore quarterback, scored on runs of 14 and 14 yards and threw touchdown passes of 27 yards to Cory Fleming and 69 yards to Mose Phillips, who broke three tackles after taking a short flip from Shuler.

The Volunteers (9-3) finished with four victories under Fulmer, although Friday's game was the coach's first since succeeding Johnny Majors, who was forced out after 16 seasons at Tennessee.

Majors announced his resignation when the school decided to buy out the final two years of his contract. He originally was expected to coach the Volunteers on Friday, but reconsidered and later accepted the head coaching job at Pittsburgh.

Fulmer, the Vols' long-time assistant, won three games while his former boss was recovering from heart bypass surgery in September.

Boston College (8-3-1) was making its first appearance in a bowl game since 1986 and may have played its last game under the coaching of Tom Coughlin, who reportedly is a leading candidate to become coach of the New York

Giants of the National Football League.

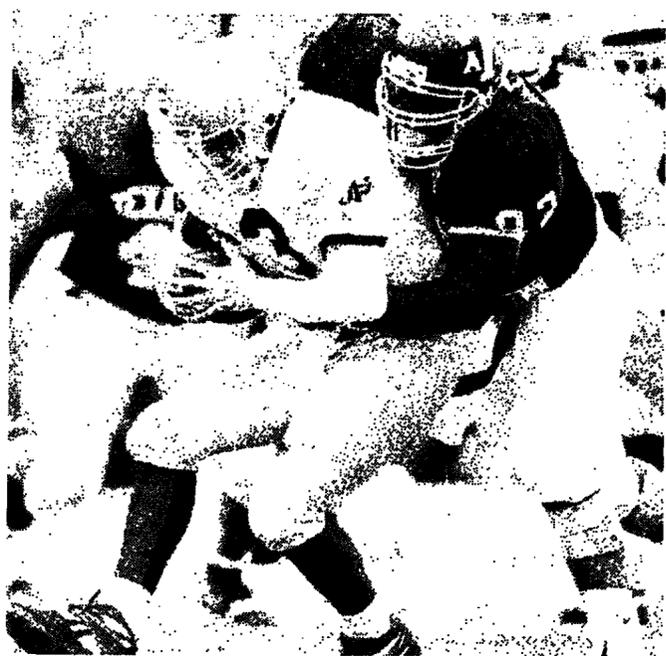
The Eagles fell behind, 14-0, in the first 10 minutes of the game and never recovered. Glenn Foley threw two touchdown passes to Pete Mitchell, covering 12 and 17 yards, and Darnell Campbell scored on a 7-yard run.

Boston College scored two touchdowns and added two 2-point conversions in the final six minutes to make the game look closer than it was.

Shuler completed 18 of 23 passes for 245 yards and gained 31 yards rushing on six attempts in just under three quarters. He was replaced by Jerry Colquitt, who threw a 28-yard TD pass to Fleming in the fourth quarter.

Ball control was one of Coughlin's biggest concerns before the game. He figured Boston College needed to control the clock to have a chance to win. The Eagles did that early, holding the ball for more than 11 minutes of the opening quarter, yet still found themselves trailing by two touchdowns.

Two fourth-down conversions helped normally conservative Boston College get back into the game. The first one didn't lead to a touchdown, but it did help the Eagles march to the Tennessee 1, where the drive stalled when Ivan Boyd couldn't hang on to Foley's fourth-down pass as he crossed the goal line.



Notre Dame's Rick Mirer, being sacked by Erle England, threw two touchdown passes against A&M.

Bettis Scores 3 TDs in Leading the Irish

DALLAS — The new year didn't begin any better than the old one ended for Texas A&M.

Playing without suspended Greg Hill, its top rusher, Texas A&M lost its bid for a perfect season Friday as Notre Dame prevailed, 28-3, in the Cotton Bowl. Fullback Jerome Bettis scored three times, and Rick Mirer and the fifth-ranked Irish's improving defense destroyed the Aggies' hopes of being the third team with a 13-0 season — even though that probably would not have gotten them a national title.

The Aggies let Mirer escape to make big plays and throw for two touchdowns as the Irish finished the season 10-1-1 with a victory over the Southwest Conference champions on a field made slippery by a freezing drizzle.

Controversy surrounded Notre Dame's appearance in the bowl when No. 3 Florida State was passed over by the selection committee in favor of the Irish.

They were ready to prove the validity of that selection. Mirer, tailback Reggie Brooks and Bettis did just that in a surprising condition before less than the announced attendance of 71,615 fans.

By the end of the game the Aggies probably were wishing they had played the Seminoles.

Mirer threw a touchdown pass to close the first half and hit a 26-yard scoring strike to Bettis to open the

second half. Mirer's 11-yard run also set up a 1-yard touchdown run by Bettis late in the third period. Bettis scored again on a 4-yard run late in the fourth period.

Mirer rushed 13 times for 55 yards and hit eight of 17 passes for 119 yards. Bettis rushed 20 times for 75 yards and Brooks carried 22 times for 115 yards.

Without Hill, the Aggies couldn't click offensively. Substitute Rodney Thomas was hounded all day and gained 50 yards on 20 carries. Hill and four teammates were suspended six days before the Cotton Bowl by A&M because of questions about summer jobs.

Freshman quarterback Corey Pullig, who gave a commitment to Notre Dame but changed his mind before signing day, hit Tony Harrison with a 39-yard pass to position the Aggies for a 41-yard, fourth-quarter field goal by Terry Venetoulis.

That was A&M's best shot.

Mirer finally found the answer to the aggressive A&M defense with a well-conceived screen pass on a blitz late in the first half. Holding the ball until the last second, Mirer hit split end Lake Dawson over the middle. Dawson cut back and raced untouched 40 yards for the touchdown with 36 seconds left until halftime for a 7-0 lead.

Bettis beat strong safety Patrick Bates on the 26-yard scoring pass to cap a 65-yard drive. He slipped down the right sideline and Mirer

hit the fullback in stride for the score.

Notre Dame's third touchdown came after Demetrius DuBoise recovered a fumble by Pullig on the Aggies' 12. Mirer swept left end for 11 yards, then Bettis bulled across for the score against A&M's highly touted "Wrecking Crew" defense.

The victory was sweet revenge for the Irish, who lost 35-10 to Texas A&M in the 1988 Cotton Bowl in the only previous meeting between the schools.

Proponents of closing the hole in the roof at Texas Stadium and moving the Cotton Bowl game indoors got a good argument in their favor Friday when an icy field greeted the Notre Dame and Texas A&M players.

The teams took to the wet field an hour before kickoff and began trying to warm up in freezing drizzle and a wind chill of 20 degrees Fahrenheit (minus 7 centigrade).

A series of cold fronts swept into Texas on Thursday morning, when the high was 69 degrees in Dallas just after midnight, and temperatures had dipped into the lower 30s by mid-afternoon.

The 1979 classic is known as the "ice bowl" when the wind chill factor was minus 6 degrees (minus 21 centigrade). That year, Notre Dame quarterback Joe Montana rallied his team from a 22-point fourth quarter deficit to win the game, 35-34, over the Houston Cougars.

Georgia Prevails in the Citrus Bowl

ORLANDO, Florida — Garrison Hearst ran for 163 yards and two touchdowns Friday as Georgia completed its first 10-victory season since 1983 with a 21-14 victory over Ohio State in the Citrus Bowl.

Hearst, third in the Heisman Trophy voting behind Miami's Gino Torretta and San Diego State's Marshall Faulk, scored the Bulldogs' first two touchdowns — from a yard out in the first quarter and on a 5-yard run in the third — and set up the game-winner. Frank Harvey's 1-yard run with 4:32 left broke a 14-all tie and gave the eighth-ranked Bulldogs (10-2) the victory.

For the 15th-ranked Buckeyes (8-3-1), it was their fourth straight bowl loss, all under coach John

Cooper. But they had chances in the fourth quarter.

The Buckeyes used Robert Smith's 45-yard run on a screen pass to reach the Bulldogs 15 early in the fourth quarter. But three plays later Kirk Herbstreit and Jeff Cothran collided on a handoff, causing a fumble that Georgia's Travis Jones recovered.

On the game's last play, Herbstreit's Hail Mary pass into the end zone was intercepted by Georgia.

Earlier in the fourth quarter, the Bulldogs reached the Ohio State 28 before Eric Zeier lost a fumble on a snap.

Smith, the Buckeye's talented running back, had 107 yards on 24 carries and, like Hearst, also scored on runs of 1 and 5 yards.

Georgia had an impressive open-

ing drive after forcing the Buckeyes to punt on their first possession.

The Bulldogs went 80 yards in 14 plays — their most in a scoring drive this season — to take a 7-0 lead when Hearst ran left for a score with 6:48 left in the opening period.

Hearst had eight carries for 43 yards, including a 14-yard, ankle backup Terrell Davis had runs of 13 and 6 yards, in the drive.

The Bulldogs reached the Ohio State 29 on their next possession, but were forced to punt when Zeier was sacked for a 10-yard loss by Jason Simmons.

The Buckeyes fought poor field position throughout the first half, starting at their 16, 20, 4 and 11 before getting the turnover that led to the 54-yard scoring drive just before halftime.

Blockbuster Bowl Goes to Stanford

MIAMI — Steve Stenstrom threw two touchdown passes and Stanford turned in a strong defensive showing Friday to crush Penn State, 24-3, in the Blockbuster Bowl and make the Cardinals' first New Year's Day bowl game in 21 years.

Stanford, in the first year of Bill Walsh's second tenure as coach,

finished 10-3 in its first 10-victory season since going 10-0 in 1940. Penn State finished 7-5.

Stanford cornerback Darrien Gordon was named the game's Most Valuable Player. He recorded seven tackles and broke up five passes, including four intended for O.J. McDuffie. The Cardinal kept Penn State scoreless after the Nittany Lions kicked a field goal on their first possession.

Stenstrom completed 17 of 29 passes for 210 yards in the third Blockbuster Bowl at Joe Robbie Stadium.

The Cardinal opened the game in a no-huddle offense and drove 71 yards in eight plays on its opening possession for a 7-0 lead. Ryan Wright caught four passes for 47 yards, including a 2-yard TD to cap the march.

On the Nittany Lions' first drive, McDuffie receptions of 21 and 36 yards set up V.J. Musillo's 33-yard field goal to make it 7-3. Penn State failed to get inside the Stanford 40 again until late in the fourth quarter.

Stanford boosted its lead to 14-3 on J.J. Lasky's 5-yard TD run with 2:48 left in the half. Fullback Ellery Roberts set up the score with a 35-yard run.

Eric Abrams kicked a 28-yard field goal with 5:59 left in the third quarter to make it 17-3, and Glyn Milburn finished the scoring by dashing 40 yards on a swing pass from Stenstrom with 3:41 left in the period.

Penn State quarterback Kerry Collins completed just 11 of 27 pass attempts for 139 yards and was pulled at the end of the third quarter.

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Florida Smothers North Carolina in Gator Bowl

MIAMI — Shane Matthews threw two touchdowns and Eric Riett ran for 182 yards as 14th-ranked Florida beat No. 12 North Carolina State, 27-10, in a Gator Bowl game played in heavy fog.

Baylor 28, No. 22 Arizona 15: Record-setting flanker Melvin Bonner caught two touchdowns passes and Baylor beat Arizona at its own defensive game to present its coach, Grant Teaff, with a career-ending victory in the Hancock Bowl in El Paso, Texas.

Teaff is to become the school's athletic director. He ended a 21-year coaching career in Waco with a record of 128-105-6.

Bonner, who finished with a Hancock-record 166 yards on 5 receptions, wrecked an Arizona defense that was No. 2 in the nation this season while giving up an average of just 9 points a game.

Bonner caught a 61-yard scoring pass off a halfback option throw from reserve Brandell Jackson and shook loose on the sideline for a 69-yard TD run.

Arizona got a 7-yard scoring run from quarterback George Ma-

lanulu and field goals of 22 and 20 yards by Steve McLaughlin.

Wake Forest 39, Oregon 35: Wide Receiver Bobby Jones hit Todd Dixon with a 61-yard touchdown pass and Wake Forest overcame a 19-point deficit to win the Independence Bowl in Shreveport, Louisiana.

Dixon caught five passes for 166 yards and two TDs to earn offensive player of the game honors. Herman O'Berry, who forced two fumbles, recovered them both and ran one 24 yards for a touchdown — he also had an interception — was the defensive player of the game.

John Leach also had two touchdowns for the Demon Deacons, who sent their coach, Bill Dooley, into retirement a winner with Wake Forest's first bowl victory since 1946.

Wake Forest (8-4) committed six turnovers to spot Oregon to a 29-10 lead with 9:43 left in the third quarter. And Wake's offense had a net gain of minus-7 in its last six possessions.

No. 20 Mississippi 13, Air Force 0:

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No. 20 Mississippi 13, Air Force 0:

Labor Talks Back to Judge

NEW YORK — U.S. District Judge David Doty has asked representatives of the National Football League's owners and its players to meet with him Tuesday in Minneapolis in an attempt to settle the differences that have kept them from reaching a new labor agreement.

The league and the players have been without a collective bargaining pact since 1987, a season interrupted by a strike, and the primary obstacle has been the subject of free agency for the players.

Last week, the sides appeared to have reached a tentative agreement, which stipulated that players would generally qualify for free agency after five years in the NFL.

But late Wednesday night, negotiations stalled over the amount of time a free agent would have in which to sign with a new team.

The owners want a free agent to have a 90-day period to sign with a new team; if he does not, his rights would revert to his old club and his salary would increase by 10 percent.

The 90-day period would include 60 days before the league draft, which in 1993 will take place April 25 and 26, and 30 days after.

The owners say they need the 90-day provision to insure continuity for their teams well before training camp and during the season. The players say that free agency means free agency and that any such provisions are too restrictive.

Doty is the judge who presided over the Freeman McNeil lawsuit, which ended Sept. 10 with a ruling that the owners' Plan B free-agency system was too restrictive under antitrust law, but that also left open the legal possibility of something short of complete free agency.

Point Is, Redskins Lack Enough to Beat Vikings

REDSKINS (9-7) at VIKINGS (11-5)

Key stat: Redskins' offense averaged 30.3 points per game last season and only 18.7 this season; Vikings have six-game losing streak to Washington including 15-13 loss in Week 8 in Minnesota. Comment: The Washington defense was ranked 13th vs. the run and sixth vs. the pass this season. It certainly held its own and made enough big plays but the offense sputtered much too often. Quarterback Mark Rypien (13 TD passes, 17 interceptions) shouldered the blame despite an oft-injured offensive line. Everything in the Washington offense, particularly the passing game, depends on timing, and Rypien has been too long or too short with throws that he completed in Washington's Super Bowl season.

Look for the Vikings' speedy and aggressive secondary to make the difference Saturday. The return of receiver Chris Carter from injury and Terry Allen's running also gives Minnesota the edge. The Redskins are favored by 3 1/2 points.

CHIEFS (9-7) at CHARGERS (11-5)

Key stat: Chiefs rank 23d in rushing offense and led the league in turnover differential at plus 18; Chargers have won 11 of 12, rank 24th vs. the run and have lost six straight to Kansas City. Comment: The Chiefs' offensive approach and execution in Saturday's game will decide it. Kansas City does not have a back that gained 700 yards this season and injury and inconsistency to its offensive line have been partly responsible. Another problem has been the indecision on settling on a primary back. But if Kansas City mixes the run and pass and attacks on offense rather than plays indecisively, it will win this handily. The Chargers are unsure if quarterback Stan Humphries (left shoulder separation) can go, but it won't matter if the Kansas City offense takes care of business. Chiefs by 3 1/2.

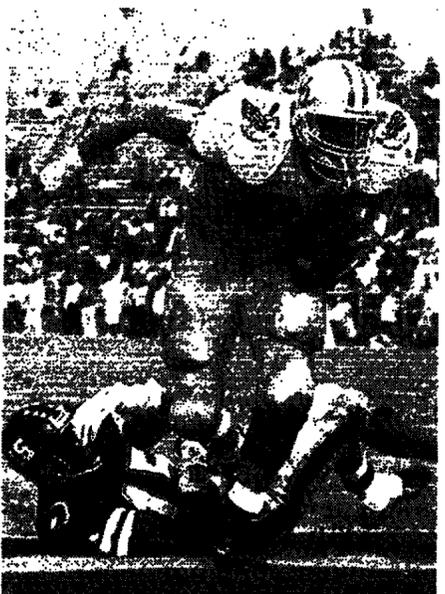
OILERS (10-6) at BILLS (11-5)

Key stat: Oilers dominated Buffalo, 27-3, last Sunday to force this wildcard matchup and have four receivers with 57 or more catches; the Bills' quarterback, Frank Reich, makes his first playoff start and Bills averaged only 16 points per game in last six games. Comment: No Jim Kelly and such other stars as Bruce Smith, Cornelius Bennett and Thurman Thomas are ailing for Buffalo. Chaos could loom except for one fact: This game isn't being played in the cozy Astrodome but outside in cold Rich Stadium. The Oilers won't exactly go numb, but not quite quarterback Warren Moon back from a shoulder injury, but don't expect their freezing receivers to catch every ball. Lorenzo White (1,226 rushing yards) had an exceptional season in a pass-first offense, but the Oilers' running game is predicated on the pass. Look for Buffalo's defense to contain both and for its offense — especially receiver Andre Reed — to resurface in prime fashion. Oilers by 2 1/2.

EAGLES (11-5) at SAINTS (12-4)

Key stat: Eagles in most recent playoff appearances are 0-5 and beat New Orleans, 15-13, in Philadelphia in season-opener for both teams; Saints have entire linebacker core in Pro Bowl but are 0-3 in playoffs with two of those losses in the Superdome. Comment: If Herschel Walker rushes for 114 yards Sunday, as he did in the first meeting this season, the Saints can forget it. And though New Orleans owns a rugged defense that for two straight years has led the league in fewest points allowed (it allowed 12.9 a game in its last 32 regular season games), it tackles a Philadelphia rushing offense that was second league-wide. The Eagles' defense can be had in the air, since it ranked 12th in pass defense, but finding the time against the Eagles' fierce rush is a problem. So, too, is the Saints' passing offense, which misfires frequently and seldom reloads. Eagles by 3 1/2.

These NFL matchups were written by Thomas George of The New York Times. Points spreads were provided by Harrah's of Las Vegas.



End Vince Ferrer ran over Lamont Seales for an Oregon touchdown, but Wake Forest rallied to win the Independence Bowl.

Florida Smothers North Carolina in Gator Bowl

MIAMI — Shane Matthews threw two touchdowns and Eric Riett ran for 182 yards as 14th-ranked Florida beat No. 12 North Carolina State, 27-10, in a Gator Bowl game played in heavy fog.

Baylor 28, No. 22 Arizona 15: Record-setting flanker Melvin Bonner caught two touchdowns passes and Baylor beat Arizona at its own defensive game to present its coach, Grant Teaff, with a career-ending victory in the Hancock Bowl in El Paso, Texas.

Teaff is to become the school's athletic director. He ended a 21-year coaching career in Waco with a record of 128-105-6.

Bonner, who finished with a Hancock-record 166 yards on 5 receptions, wrecked an Arizona defense that was No. 2 in the nation this season while giving up an average of just 9 points a game.

Bonner caught a 61-yard scoring pass off a halfback option throw from reserve Brandell Jackson and shook loose on the sideline for a 69-yard TD run.

Arizona got a 7-yard scoring run from quarterback George Ma-

lanulu and field goals of 22 and 20 yards by Steve McLaughlin.

Wake Forest 39, Oregon 35: Wide Receiver Bobby Jones hit Todd Dixon with a 61-yard touchdown pass and Wake Forest overcame a 19-point deficit to win the Independence Bowl in Shreveport, Louisiana.

Dixon caught five passes for 166 yards and two TDs to earn offensive player of the game honors. Herman O'Berry, who forced two fumbles, recovered them both and ran one 24 yards for a touchdown — he also had an interception — was the defensive player of the game.

John Leach also had two touchdowns for the Demon Deacons, who sent their coach, Bill Dooley, into retirement a winner with Wake Forest's first bowl victory since 1946.

Wake Forest (8-4) committed six turnovers to spot Oregon to a 29-10 lead with 9:43 left in the third quarter. And Wake's offense had a net gain of minus-7 in its last six possessions.

No. 20 Mississippi 13, Air Force 0:

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SIDELINES

Jordan's the Toast of France, Too

PARIS (Reuters) — The French sports newspaper L'Equipe has picked National Basketball Association star Michael Jordan as its 1992 Champion of Champions.

It gave Jordan 186 points, 18 more than fellow American Carl Lewis, who won the title the previous year and claimed the long jump and sprint relay gold medals at the Barcelona Olympics.

Britain's Formula One world champion Nigel Mansell was third and the Tour de France winner, Miguel Indurain of Spain, was fourth. But it was a lean year for home-grown talent. The first French entry, 21st place, was the Renault engine of the Williams Formula One cars, winners of the world constructor's championship.

Schott Asks for Delay in Hearings

CINCINNATI (AP) — The Cincinnati Reds' owner, Marge Schott, has asked major league baseball to give her until Jan. 25 to respond to preliminary findings in the investigation of alleged racial slurs, her lawyer said.

Robert Bennett said he received the report just before Christmas. He said it appeared to be a preliminary report that could be further modified, but he declined to discuss its contents.

Baseball's 11-member executive council is awaiting a final report from the four-man committee it appointed Dec. 1 to investigate Schott's alleged use of slurs.

Carter, Pickens Top Rookies

NEW YORK — Dale Carter, continuing a tradition of excellence in the Kansas City secondary, has been chosen as the 1992 defensive rookie of the year in the National Football League.

The defensive back-kick returner from Tennessee, chosen as the 20th draft pick, received 22 votes to 19 for Tampa Bay defensive end Santana Dotson in balloting by a nationwide panel of media members.

Carter had seven interceptions, the most by a Kansas City rookie since 1980, and one short of the Chiefs' 30-year-old rookie record. He made a sensational 36-yard return of John Elway's pass for a touchdown in last Sunday's play-off-clinching victory over Denver.

Miami end Marco Coleman, who was switched from linebacker early in the season, received 11 votes. Linebacker Robert Jones of Dallas had 8, followed by lineman Chris Hadley, San Diego, 6; safety Darren Perry, Pittsburgh, 3; cornerback Troy Vincent, Miami, 3; tackle Steve Emtman, Indianapolis, 2;

and cornerback Terrell Buckley, Green Bay, 1.

Another Tennessee alumnus, Carl Pickens, a receiver and kick returner for the Cincinnati Bengals, won the offensive rookie of the year award.

In a season lacking major contributors among rookie offensive players, Pickens beat out running back Vaughn Dunbar of New Orleans, 22 votes to 20.

Pickens had 26 receptions for a 12.5-yard average and one touchdown. He averaged 12.7 yards on punt returns, with a 95-yard return for a touchdown against Green Bay.

Finishing third was placekicker Jason Hanson of Detroit with 8 votes. Tackle Troy Azenzone of Chicago had 6, followed by quarterback David Klingler, Cincinnati, 3; placekicker Lin Elliott, Dallas, 2; receiver-kick returner Desmond Howard, Washington, 2; running back Rodney Culver, Indianapolis, 2; running back Amp Lee, San Francisco, 2; tight end Johnny Mitchell, New York Jets, 1; and running back Tommy Vardell, Cleveland, 1.

For the Record

Lynn Jennings, the world cross country champion, underwent an emergency appendectomy in Durham, England, where the U.S. runner was to compete Saturday against Olympic gold medalist Derartu Tulu of Ethiopia and silver medalist Elana Meyer of South Africa. (AP)

The Chinese government has given approval for the country's first Formula One auto racing track, a \$38.5 million complex, to be built in the southern city of Canton, the official China Daily reported. (UPI)

The Detroit Tigers agreed on a \$10.6 million, three-year contract with Tony Phillips, avoiding salary arbitration with their leadoff hitter who has played almost every position in the field. (AP)

Quotable

Shirley Steele, the general manager, on the nickname of the new minor league baseball team in Hickory, North Carolina: "Crowdads are fighters. They've been known to lose a limb in battle and continue to fight."

Chuck Ledford, a local baseball fan: "I can't imagine going up to someone and saying, 'I'm a big Crowdads fan.'"

Mike Garrison, West Virginia University student body president on the school adding the raccoon as a mascot, in addition to the long-cherished buckskin-clad Mountaineer: "I don't understand the two together. It seems to me if you put a mountaineer and a raccoon in the same place, the mountaineer would shoot the raccoon."

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DAVE BARRY

Live on Larry King

MIAMI — By the time I saw Larry King interview the snake, my brain was a whimpering wad of useless tissue. I had been on a book promotion tour for several weeks, following the standard book tour schedule, which is designed by publicity experts who do not believe in letting you fritter away valuable time on nonpromotional activities such as eating and sleeping. I'd be in, say, Seattle, and I'd ask, "Do you think I could go to the bathroom?" And the publicity people would frown at the schedule and say, "Not today. Maybe in Los Angeles."

Career Slides for a Valve Trombonist

By Mike Zwerin International Herald Tribune

PARIS — The world's greatest valve trombone player did not want to wind up at the age of 80 in a rocking chair on his porch in the suburbs of New York City nostalgic for youthful glory. Opportunity was knocking.

It was January, 1991, he was 61. He had been commissioned to write music for "Gott in Wuppertal," an opera with a libretto based on Liza Kristwald's book about church/state collusion in Germany during the Industrial Revolution. And it looked as though his proposal for a "post-graduate" program called World School for New Jazz was finally about to be launched, in tandem with the Rotterdam Conservatory of Music.

He had been coming to Europe regularly since 1980 as a soloist and to write commissioned big band arrangements and symphonic compositions. In the United States, arrangers are generally paid in inverse proportion to the (immense) pleasure of the work. And if he wanted to write for, say, the St. Louis Symphony, he'd be an old jazz trombone player in a long line of "serious" and well-connected composers. His credits and fame would be "history," a pejorative time-frame in the United States, hindrance more than help. In Europe his past is respected but he is not nailed to it. When he proposes an experimental electronic piece or an opera, art patrons do not reply: "Gee, couldn't you play some blues?"

He had already been considering splitting his time between Nova Scotia and the Netherlands. The political situation in the United States disturbed him and the Netherlands was homey, he had friends there. The school was to be artistically, financially and organizationally structured around him. A dream came true. He had been doing spadework in virgin soil 12 hours a day for more than a year, commuting more and more frequently. The people sponsoring the school wanted him on the scene. On the other hand, the opera project was stalled. They added up. It was time to make a move.

So Bob Brookmeyer sold his house in Gosling (population 5,000) in the foothills of the Catskill Mountains. A tough decision. It was the first home he'd ever owned. He loved the area, he and his wife were happy together there, he'd stopped drinking and felt strong, he was a respected elder. He moved to Rotterdam in June 1991.

By January, it had become obvious that it was a big mistake. Europe was fine, better than he'd anticipated, but the school was a disaster. Promised support had not materialized, he was a one-man



Bob Brookmeyer: "New doors are opening for me all the time."

band. It was like house arrest, he was held hostage by the phone and the fax. There was no time to go anywhere else, to think about anything else. Although the project was within \$200,000 of the target endowment, he was wasted fighting bureaucratic sclerosis and resentment. The world of music education was obviously content with the status quo. He had been naive to expect otherwise. Teachers with tenure and even students felt threatened by his evolutionary innovations. He resigned in June.

After having been buried alive for six months, he suddenly found himself in Europe with plenty of time to be alienated. It was a feeling that "could either be negative — make you wish for your home and hearth and slippers and dog — or stimulating. It's up to you. O.K., I'm in another place now. There are new systems, customs and languages to learn, new history, new people to meet. I decided to consider

the glass was half full, to make alienation, if you'll pardon the expression, a creative stimulant."

The summer was a bad patch. He had invested so much time, energy and hope in the school, abandoning other activities in the process, he felt stuck and stranded. He found himself cast as a victim, not a role he generally accepts. Slowly putting his life back together, he formed a working European jazz quartet that will soon tour and record. He set down to write music again. He purchased a car, he and his wife decided to shop for a home in the vicinity of Utrecht. He was making his own luck again. When he finally received the English translation of the Wuppertal opera, without which he could not work, he was in a position to plunge in. (It is scheduled to open in the spring of 1996.) Master composition workshops in Amsterdam and Cologne, modeled on those he had conducted for BMI in New York, have

taken off. They are funded by performance rights organizations (such as BMI) and/or ministry of culture programs. Recently he was in Paris for "exploratory talks" with French authorities to bring a similar concept here. He has a way with authorities.

European life obviously agrees with him. Physically he resembles an intellectual James Coburn, he dresses like a Midwest Rex Harrison. His mind is fast, his thinking clear, focusing with discipline on specific objectives such as helping musicians cross-pollinate across European borders, which he finds surprisingly severe. He's "amazed by how little musicians know about what goes on across the frontier." And although he's his own "worst critic," he thinks he's "playing better than ever. I'm certainly enjoying it more."

In Central Junior High School in Kansas City, Brookmeyer "stumbled upon" a "wreck of a Polish valve trombone with valves going in one direction and the bell in another." He is not a trombone player by choice, he does not know anybody who is. An instrument nicknamed "slush pump" is not exactly sexy. Add peer-group condescension to a trombone player who avoids wrestling with a slide. Brookmeyer is the only major soloist to play valve trombone exclusively since Juan (Caravan) Tizol with Duke Ellington. Sitting in front, saxophone players get first shot at the girls. Trumpeters make the heaviest bread. Trombonists have spiritual purity thrust upon them. They stay home and practice and, more often than blowers of other horns, learn how to write music.

He replaced Chet Baker with Gerry Mulligan's historic pianoless quartet, played with Stan Getz and Jimmy Giuffrè, formed a sensitive duo with guitarist Jim Hall and was a founding member of the Thad Jones/Mel Lewis big band, of which he eventually became principal arranger and musical director. He gradually withdrew from the instrumental marketplace.

Nowadays, he is "amazed by the number of youngsters who stop growing by the age of 25. Everybody seems to be in love with 1955, and 1955 wasn't even a very good year." In his workshops, he begins by respecting contemporary heroes like Michael Brecker and Wynton Marsalis. He then takes students "gently back through history to trace influences." History should be a living experience rather than something you learn from books: "You can't learn sex from a book. Students seem to have the attitude, 'For God sakes, don't make me listen to music I don't like.' Most teaching programs reinforce their bias. I take away their familiar toys and ask them to discover some new doors. New doors are opening for me all the time."

PEOPLE

Not the Michael Jackson We Knew Back Then

That kid singing "I'll Be There" in an upcoming Pepsi commercial won't be the young Michael Jackson. He's not even black, the New York Post says. Plans to use old footage of Jackson were scrapped at least in part because the pictures would make Jackson's plastic surgery and skin-bleaching too obvious, the Post said. Jackson approved a young black boy to play him, then changed his mind and cast a white boy, with an Afro wig and skin darkened through video colorizing, the Post said.

Senator William S. Cohen's eighth book and first mystery, "Murder in the Senate," co-authored by Thomas B. Allen, is all about abuse of power, greed and cover-up on Capitol Hill — and the murder of a woman who is a Democratic senator. But the Maine Republican insisted that his characters were all fictitious and the plot devised "before all the Democratic women got into Congress."

New York's Mayor David N. Dinkins will make his Broadway debut playing the aviator Wiley Post in "The Will Rogers Follies" on Jan. 9. Asked if he was making a career choice, Dinkins said he didn't intend "to quit my day job."

Stokely Carmichael is back. From his home in Guinea, he took a few shots at Spike Lee and thumped other leading black Americans in an interview due out next week. The 51-year-old former black-power revolutionary, talking to the Paris African weekly Jeune Afrique, said the black film director was "incapable of making a film about Malcolm X." "Spike Lee is a petit bourgeois who took the choice of selling his people for a fistful of dollars. Malcolm X was a revolution," he said. He was a deputy on the Democrats ("a racist party") and Ronald H. Brown, President-elect Bill Clinton's secretary of commerce; Vernon Jordan, the transition chairman, Jesse Jackson, and former Black Panther Eldridge Cleaver.

International Classified Appears on Pages 5 & 15

WEATHER

Weather forecast section including maps of Europe, Asia, and the Americas, along with temperature and precipitation data for various regions.

Ho-Hum Couples By Jim Page

New York Times, edited by Eugene Malachuk

ACROSS

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55 Soap plants
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74 River through Rome
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82 Book-cover displays
84 R.L.P. notice
88 He wrote "Off the Court"
90 Geologic-time division
91 Infallible forecasters
92 Delaware Indian
93 Pressed
94 Type of bracelet or anklet
96 Cosmetic liquid
98 Time co-founder
101 Round
102 Hawaiian food fish
103 Clad, to the Bard
105 D. S. Freeman subject
107 Lean to one side
112 Kin of 86 Across
114 Revereant fear
115 Incarnadine

Solution to Puzzle of Dec. 26-27

A grid of numbers representing the solution to a crossword puzzle from a previous issue.

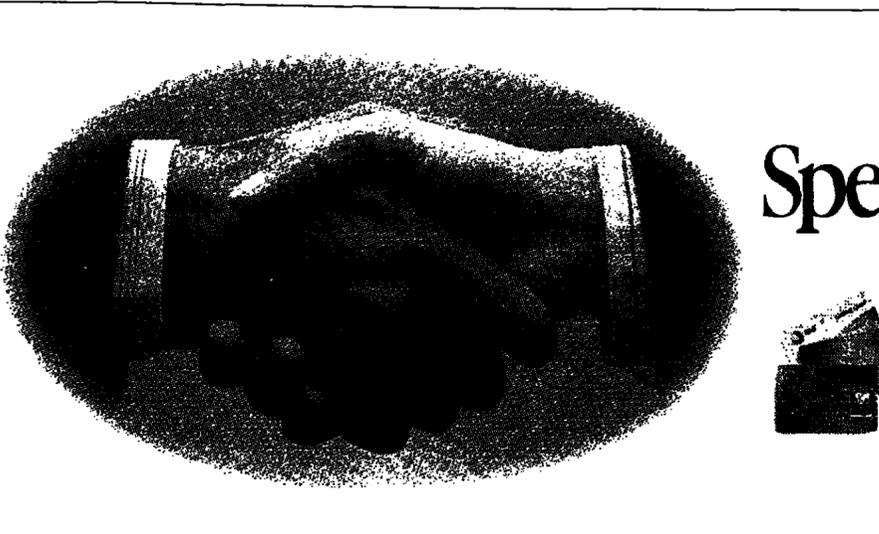
BOOKS

EAST OF THE SUN: The Epic Conquest and Tragic History of Siberia By Benson Bobrick. 342 pages. \$28. Postcard. Reviewed by Jane E. Good

that "life in Siberia is terrible, but not so terrible as in Russia." Even the United States suffered in comparison when the liberal writer and former political prisoner Vladimir Korozenko noted after his 1891 visit to the Chicago World's Fair that if he were given the choice of living in America or in Irkutsk Province (Siberia), he would "probably choose the latter."

Explorations that proved Asia and America were not connected; the 1891-1905 construction of the Trans-Siberian railway, an astonishing engineering feat to rival the Panama Canal; the brutal 1918-1921 Russian Civil War; and the notorious Siberian exile system from its czarist inception in 1591 through its Stalinist iteration.

Bobrick emphasizes five episodes from the four centuries between the Cossack Yermak's first foray across the Urals in 1581 to the 1991 dissolution of the Soviet state; Moscow's ruthless 17th-century conquest of Siberia; Vitus Bering's during 18th-century arctic



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